FBIS DAILY REPORT

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ALFONSIN COMMENTS ON UN VOTE, MILITARY TRIALS

PY232123 Buenos Aires Domestic Service in Spanish 1509 GMT 23 Mar 87

[Speech by President Raul Alfonsin at ceremony marking 100th anniversary of the city of Las Perdices, Cordoba Province -- live]

[Excerpts] Governor, my dear friend Mayor Americo Caffaratti, and dear friends, happy birthday. [applause and expressions of thanks to president for his good wishes followed by singing happy birthday]

I was just reminded by your governor of the effort made by those pioneers who built all that we see in this part of Argentina today. Those pioneers arrived from Italy, Spain, France, and Germany 100 years ago with their dreams set on a better life for their families. With great effort they have bequeathed to us almost everything we now have. [passage omitted]

Our entire foreign policy was aimed at achieving one essential goal: Argentina's independence. We have achieved this by defending our freedom, the respect for self-determination of the people, and nonintervention. We made a point of showing the world the moral content of our foreign policy which is designed to carry out an action that would guarantee and safeguard Argentina's independent decisionmaking capacity. This goal has been achieved. It is now a reality because Argentina enjoys the respect of all the nations of the world because it has been capable of defending its independence.

However, it seems that not everyone is aware of this. I believe, and I am sure that you will fully agree with this, that free people cannot live in a country that is not independent. People's sovereignty cannot exist in a coutnry that has not been able to safeguard the respect of its national sovereignty. However, just as the Argentine people proudly begin to achieve these goals, people who preach the convenience of dependency start to appear with more determination, with more enthusiasm than ever. I want to cite an example. Not long ago, Argentina cast a vote at the Human Rights Commission meeting in Geneva. This vote was related to U.S. charges against Cuba. Every international mechanism has its own characteristics. It is normal procedure for this commission to analyze and investigate the situation before issuing a ruling. Sometimes investigative commissions are established but, nevertheless, a certain time elapses before the final decision is issued. As an example I want to point out that in 1984, the commission, after democracy was restored, closed the case against Argentina before a resolution was even issued. This procedure has always been followed, even by the United States in November 1986. Argentina and the United States have always believed that these international mechanisms should not be used for political purposes. We must safeguard and preserve these mechanisms because they are necessary to preserve peace.

We Argentines have had to suffer great hardships in order to coexist in a democracy. We had to suffer a lot before we realized the true meaning of democracy. From a personal, philosophical, and political point of view, I truly believe that human rights are violated in any country which does not practice pluralism, no matter what kind.

However, this is a philosophical position and if we were to apply it to all cases, we would have to condemn most countries on this planet because based on this point of view, I believe there are indeed human rights violations. However, as I have already said, what we are trying to do is to safeguard mechanisms and also defend an ideal that is being upheld throughout Latin America, not just in Argentina.

Other countries that support our position voted accordingly. Similar votes were cast by Mexico, Venezuela, Colombia, and Peru. All of us are striving hard to achieve and safeguard peace in the region. Moreover, we believe it is necessary to exhaust all possibilities. This is what we have done and the United States is aware of it. We seek ways to moderate our forces; so as to find moderating forces in all the democratic transition processes that Latin America is still experiencing and to keep domestic ideological disagreements from developing into a domestic war or devastation.

This is the all-important task Latin American democracies have been carrying out. As I said, we want pluralist democracies, we are fighting for this and will continue to fight for it.

Argentina is willing to condemn any sort of human rights violations, but it must also safeguard its independent criteria because otherwise it would be acting as a satellite country and not as an independent country. [applause]

Argentina and the United States maintain good relations not because we are always in agreement, but because we always act in keeping with our own ideals and convictions.

Argentina's actions are predictable. It defends freedom; it defends its independence; and it strives to achieve Latin American integration. [applause] [passage omitted]

However, to be able to achieve an enthusiastic and strong development of our people, we must first overcome another problem which to a certain extent is tied to our past. I am talking about the trials [of Argentine military men accused] of repression [during the war against subversion].

I have discussed this subject hundreds of times. I discussed it on a personal basis during the presidential election campaign. I believe that what I said during the presidential election is a true commitment that I have contracted with the people, and one which I am willing to fulfill by resorting to all the powers that are bestowed upon me by law.

We have said that there are three degrees of responsibility: that of those who established the methodology to be followed and who made political decisions; that of those who committed excesses during the filfillment of their duties; and that of those who complied with their duty under virtual coersion.

We have said hundreds of times that this is not the time for revenge; that we want to look to the future. However, we will not build democracy by making ethical concessions. This is why we have repeatedly reasserted that we understand the grief of the relatives of missing persons, but we have also categorically rejected any attempt to justify a repugnant methodology that strove to achieve power by advocating elitism.

Today we also understand the concern of some of the comrades of those who are being tried. However, we reject their attempts to identify themselves with an evil methodology. Such an evil methodology was not necessary to eradicate subversion, as proven by the democratic struggles of the world.

At any rate, this can be interpreted as an erroneous understanding of comradeship. However, there is a group that acts differently. It is as if it has been praying for the times Argentina is presently experiencing. These are the well-known nazis. These are fundamentalists who have been extinguished in other parts of the world, who have constantly plotted against Argentine democracy and the Argentines.

Do not let them be deceived: The fact that they may have access to the mass media does not mean that they have access to the public.

Do not let them be deceived: these gentlemen claim to be struggling against subversion, but they also place bombs and threaten citizens. [applause]

We Argentines can undoubtedly engage in harsh arguments on many issues but Radicals [Radical Civic Union Party members] and Peronists will certainly not argue on this issue because we shall be together and struggle shoulder to shoulder to defend Argentine democracy. [applause] [passage omitted]

Soon, all Argentines will experience extraordinary days. The pope will be among us. I believe that not only Catholics, but all Argentines no matter what their creed, will express their happiness about his presence.

We owe a lot to the pope. This pilgrim of peace comes to Argentina after holding the most moving ecumenical meeting in Assisi to pray for peace. We also owe him a lot because of something that has touched us more closely: His mediation was a decisive action that avoided a fratricidal war.

Let us all give him the welcome he deserves. Let us ask him to pray for peace in the region and for the reconciliation of our families. Thank you very much. [applause]

CONVICTED OFFICERS HONORED BY 'RIGHT-WING' GROUP

PY231837 Buenos Aires BUENOS AIRES HERALD in English 23 Mar 87 p 7

[Excerpts] (NA-DYN) -- Four former commanders of the military juntas yesterday received at Magdalena military prison a commemorative plaque from members of the Patriotic Civic Centre right-wing grouping "to express the gratitude of the people to our heroes in the war against subversion."

Five out of some 40 members of the centre which arrived at the prison after a ten-hour trip from Bahia Blanca were allowed to enter the premises amidst tight security measures. Two of the five were Radical excounsellor Carlos Citta, and Alfredo Antonelli, president and secretary of the entity respectively.

Asked if he thought the methods used to fight subversives were justified, Antonelli said that "after Hiroshima everything is justified," adding that "if it had not been for our glorious Armed Forces, Argentina would now be another Cuba or Nicaragua."

He claimed the war against subversion had been carried out against "Marxist atheists, rapists, murderers, thieves and drug traffickers."

Former Corrientes Governor General Juan Alberto Pita meanwhile published a paid ad stating that "the military government had democratic moves and aims," that "we military officers are as democratic as other citizens," and also recalling that the Armed Forces "undertook the war against subversion by order of a constitutional government."

On the other hand, the Mothers of Plaza de Mayo -Founding Line- expressed "great concern for the campaign of intimidation that the Armed Forces are carrying out," adding that "by shielding themselves under the term due obedience" the military "try to justify torture, kidnappings and murder."

A march against the Full Stop Law will be held next Tuesday 24, on the anniversary of the 1976 coup d'etat. The demonstrators will leave from Avenida de Mayo and 9 de Julio and head towards Congress, where they will demand that the law be declared unconstitutional.

A note will also be sent to President Raul Alfonsin asking him to account for the fate of every missing person "which, as commander-in-chief of the Armed Forces, he must be able to do."

The protest, whose motto will be "the crimes of yesterday are present in today's impunity," was organized by the Committee against the Full Stop Law, made up of human rights entities, labour unions, political and student groupings.

Lieutenant Alfredo Astiz, charged with grave human rights crimes, yesterday asked "those who get excited and behave like a subversive mob" to abstain from defending young officers charged with abnormal crimes.

All serving generals and colonels awaiting promotion will meet from today until Wednesday to consider the situation of officers who will be facing trials for human rights abuses.

A reliable source said that there is a certain relief within the Army over the postponement until the second week of April of some controversial cases including those of Army Captains Enrique Mones Ruiz and Gustavo Alsina. [passage omitted]

Finally, Buenos Aires provincial police yesterday continued to investigate Friday's failed bomb attack on the house of Federal Appeals Court president Andres D'Alessio.

The artifact, which was defused in time by the police, could have seriously damaged an area covering a 50-metre radius. The police refused to point to possible authors of the attempt but mentioned the obvious link with the human rights trials that D'Alessio's court is handling.

ARMY ANNOUNCES PROGRESSIVE RELEASE OF CONSCRIPTS

PY120157 Buenos Aires BUENOS AIRES HERALD in English 11 Mar 87 p 11

[Text] (NA-DYN) -- The Army reported yesterday that conscripts of the class of 1967 will be progressively released from service as from March 20, although in strategic areas in the south and other special units they will be demobiiized between May 15 and 20.

BRIEFS

COCAINE SHIPMENT FOUND -- Buenos Aires, 19 Mar (DYN) -- Customs officials have reported that a 10-kg shipment of cocaine, worth $4 million, was discovered and confiscated yesterday in a LADE [State Airlines] warehouse at Ezeiza Airport. The cocaine was hidden inside a crate of paintings coming from Santa Cruz de La Sierra, Bolivia. [Summary] [Buenos Aires DYN in Spanish 1154 GMT 19 Mar 87 PY]

SOVIET ENVOY ANNOUNCES $220 MILLION LOANS

PY182233 Paris AFP in Spanish 1412 GMT 16 Mar 87

[Text] La Paz, 16 Mar (AFP) -- It was officially reported here today that the Soviet Union will grant loans totaling $220 million to Bolivia and that the respective agreements will be signed during the visit Bolivian Foreign Minister Guillermo Bedregal Gutierrez will make to the Soviet Union in the next few weeks.

This information was released by Mikhail E. Emilianov, the Soviet charge d'affaires ad interim, who said that the loans will be earmarked for promoting agricultural reactivation and for the Bala hydroelectric project in Beni Department, near the Brazilian border. Emilianov also reported that a joint commission of experts has been working for several months to conclude several projects.

CONGRESS APPROVES ROYALTIES LAW 19 MARCH

PY202031 La Paz La Red Panamericana in Spanish 1130 GMT 20 Mar 87

[Excerpts] When asked about the executive branch's first reactions to Congress' approval of the bill regulating royalties, Walter Zuleta, general of the Presidency, said that the government was pleased. This happened only a few hours ago. Congress worked until 0300 on 19 March to finally approve the bill, which is practically the same as the one proposed by the executive branch. Congress introduced two amendments to the bill before approving it. This law now constitutes the legal base for the payment of royalties. [passage omitted]

The planning minister, in a short statement to the press, yesterday said that the government will honor all debts, as stipulated by law. However, he explained, those payments will be made in an orderly fashion, in installments, and each department will receive what it is due.

COMIBOL BEGINS GENERAL STRIKE 20 MARCH

PY201925 La Paz La Red Panamericana in Spanish 1130 GMT 20 Mar 87

[Excerpts] The Mining Corporation of Bolivia [COMIBOL] has decided to start a general strike as of 0000 hours [0400 GMT] today in all the state-owned mines and affiliated trade unions. COMIBOL also issued instructions to increase the number of hunger strike pickets. According to Communique No 1, COMIBOL's Executive Committee has decided to resort to these measures in response to the demands of the majority of labor unions, and after evaluating the decisions, resolutions, and proposals from the mining districts. They have also decided to organize three hunger strike pickets in La Paz totaling 100 workers, and in Oruro and Potosi. COMIBOL also denounced the police action in Oruro where COMIBOL workers have been violently evicted. The workers plan to continue, however, with their hunger strike elsewhere. COMIBOL also reported that workers from trade unions at Siglo XX and Catavi mines have decided to join the voluntary hunger strike through a decision of the general assembly. Workers at Colquiri have also followed suit. [passage omitted]

Interior Minister Juan Carlos Duran has said that the wave of strikes sweeping the country is being promoted by minority groups who are striving to make the government's economic policy fail. Duran added that it is no surprise that all this pressure is being coordinated and applied simultaneously only 48 hours before the arrival of the FRG president. [passage omitted]

Minister Views Situation

PY232028 La Paz La Red Panamericana in Spanish 1700 GMT 23 Mar 87

[Passages within quotation marks recorded]

[Text] According to Minister of Interior, Migration, and Justice Juan Carlos Duran the possibility of declaring a state of siege has been completely discarded, and the situation in the country is calm despite the hunger strikes and the union mobilization.

In a statement made this morning, Minister Duran said that the government's disposition toward dialogue over labor problems remains the same. Asked about the statement by COB [Bolivian Workers Confederation] Executive Secretary Juan Lechin Oquendo that the government is not interested in dialogue, Minister Duran replied:

"I do not believe that at any time has the government dismissed the possibility of talking with the workers organization. The government talks with all sectors, precisely because one of its obligations is dialogue with all sectors of the population on the basis of openness and the country's possibilities."

Minister Duran later denied that repressive actions have been taken against the country's workers, who are taking advantage of current circumstances to create a tense political climate. Here is Minister Duran's answer to the question about the possibility of reimposing the state of siege in Bolivia:

"There is no reason for that at all. I believe that the situation in the country is totally calm. Under a democratic regime, actions such as the hunger strikes are forms of protest with which the government takes no issue."

[Reporter] "Have the worker mobilizations affected the image of Bolivia in any way during the present visit of the FRG president?"

[Duran] "I believe they have. The truth is that we had a climate of peace and tranquillity, and exactly 48 hours before the arrival of the FRG president, that climate was changed into one of social disorder. Obviously, this is not good for the country."

Finally, the interior minister said that just as there will be a dialogue between the government and the miners, there will also be a meeting with workers representatives at the COB.

BRIEFS

NEW OIL WELL FOUND -- Mines and Energy Minister Carlos Morales confirmed the discovery of an oil field in Villamontes District. He said that the deposit was discovered by Bolivian Government Oil Deposits and not by Occidental Petroleum Company, as was reported earlier by the media. Morales also reported that this oil field will produce from 4,000 to 5,000 barrels of oil daily. [Excerpts] [La Paz La Red Panamericana in Spanish 0000 GMT 14 Mar 87 PY]

LABOR MINISTRY AIDES NAMED -- Labor and Labor Development Minister Alfredo Franco Guachalla has installed his new aides: Erick Cardenas as subsecretary general, Alfonso Pena as Labor Development subsecretary, and Luis Zegada as Labor subsecretary. [Summary] [La Paz EL DIARIO in Spanish 8 Mar 87 p 3 PY]

PRESIDENT SARNEY OUTLINES MEETING WITH BUSINESSMEN

PY231658 Brasilia Radio Nacional da Amazonia in Portuguese 1000 GMT 23 Mar 87

[Text] Brazil will not resort to the IMF. This assertion was made yesterday during an interview granted by President Jose Sarney after a visit to the farm of Sao Paulo Governor Orestes Quercia on the outskirts of Campinas.

Regarding the domestic economy, President Sarney guaranteed that the economic stabilization plan, the Cruzado Plan, is not dead, but admitted that the government will not impose another price freeze.

[Begin recording] [Sarney] The Cruzado Plan is not just a price freeze. It is a set of measures which were adopted to stabilize the economy of Brazil. We know perfectly well that the Cruzado Plan was instrumental in creating 30 million consumers, improving the real salary of workers, and making the economy grow without recession. These are objectives we must permanently pursue. With these objectives, we have to ... [recording interrupted and then resumed]

[Reporter] Where do we go from here?

[Sarney] The difficulties that we are currently experiencing have to be strategically corrected. [end recording]

On Saturday, President Sarney met with 24 Sao Paulo's most important businessmen at the farm of his friend Matias Machline in Itatiba, near Campinas. Each businessman gave a report on his sector. President Sarney listened but said very little. Yesterday, in an interview, he commented on the positive aspects of the meeting with the businessmen:

[Begin recording] The meeting with the businessmen was very useful, especially because I had the opportunity to hear what is happening in some sectors and to learn the opinions of other sectors. There were many important sectors of the national economy represented there, and the government had the opportunity to learn how they view the economy and the government. It was also an opportunity to let the businessmen know what the government feels it should do at this time of difficulties in the country. [end recording]

The president then explained why Finance Minister Dilson Funaro was absent at a meeting.

[Begin recording] It was a meeting to discuss the economy, but I thought the presence of the finance minister would inhibit criticism of the economic policy. It was to give the businessmen the freedom to criticize the economic policy that the finance minister and other ministers did not attend. The first thing I did was to put the businessmen at ease so that they could speak to the president. At no time did anyone lack tact and criticize Minister Funaro, as I read in the newspapers today. No one spoke about Minister Funaro during the meeting because the administrative problems should be handled by the president, and I do not relinquish the role of making decisions. [end recording]

Before returning to Brasilia, President Sarney said that the replacement for former Planning Minister Joao Sayad could be announced today.

From Campinas, Ireneo Tamanini reported for the JORNAL NACIONAL.

SARNEY DISCUSSES MINISTRIES, ECONOMY DURING TOUR

PY190118 Brasilia Domestic Service in Portuguese 2200 GMT 19 Mar 87

[Passages within quotation marks recorded]

[Text] President Sarney has confirmed that he will undertake reforms in the Planning and Finance Ministries, and only after doing so will he appoint someone to replace former Planning Minister Joao Sayad.

[Begin relay from Rio de Janeiro by reporter Luis Otavio Coutinho] President Jose Sarney today visited the Navy training ship Brasil in Guanabara Bay from which it later sailed on its first cruise carrying 196 Navy noncommissioned officers of the class of 1986.

After reviewing the noncommissioned officers' formation, the president and his entourage visited the ship, which was built in the Navy's Rio de Janeiro shipyard. This ship is 83-percent Brazilian-made. On its first cruise it will call at 34 ports in 7 months. After having lunch on board, the president addressed a farewell message to the noncommissioned officers. He wished them good luck in their careers, stressed the Brazilian Navy's patriotic mission, and recited a poem by Fernando Pessoa describing the mysteries of the sea.

Before leaving the training ship, the president gave a news conference. Regarding the name of the next planning minister who will replace Joao Sayad, Sarney said that he will carry out some reforms in the Planning Ministry, and then decide who will be the next minister.

[Sarney] "I am studying the reorganization of the Planning and Finance Ministries in order to avoid an overlaping of their jurisdictions in the future. Soon after determining the Planning Ministry's (?reform) I will announce the name of the new minister."

The president then denied that the government has any official information about a drop of the industrial growth rate.

[Sarney] "There are no specific numbers, the employment rate remains stable, we will continue to grow. Of course, we cannot grow at the same rate as last year because our industrial capacity is not as high, but we will continue to grow at a rate of nearly 5 percent. We will not enter into recession, we will continue with the same employment level."

The president left the Brasil at 1400 and went to the Gloria Hotel from which he went to Galeao Airport and returned to Brasilia.

CREATION OF ECONOMY MINISTRY 'BEING STUDIED'

PY191342 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 19 Mar 87

[Text] Administration Minister Aluizio Alves has confirmed that the creation of an Economy Ministry is being studied. According to Minister Alves, the proposal was presented by Minister Joao Sayad long before he left his post at the Planning Secretariat of the Presidency. President Sarney has recommended to Aluizio Alves not to introduce any amendments to the administrative reform because of the departure of the planning minister.

DEPUTY GUIMARAES REJECTS U.S. RETALIATION IDEA

PY232126 Brasilia Radio Nacional da Amazonia in Portuguese 1000 GMT 23 Mar 87

[Text] The U.S. Government intends to take retaliatory measures against Brazil for having suspended interest payments on the foreign debt.

Chamber of Deputies President Ulysses Guimaraes, who is also president of the PMDB [Brazilian Democratic Mobilization Party] and president of the Constitutent Assembly, has said, however, that he does not think the United States will adopt such measures, since, according to him, such an action would have serious consequences.

[Begin Guimaraes recording] Such an action is absolutely unthinkable. Such a gesture would have serious consequences, and I do not think the United States will retaliate against Brazil's decision. Brazil has demonstrated that it was unable to make payments within the established period for reasons that are already well-known.

The monetary authorities in the United States have adopted the same position as those of other creditor countries. I do not think the United States will go to such extremes as to impose retaliatory measures, especially considering the international responsibilities of the United States and the consequences such a gesture could have. [end recording]

MONETARY COUNCIL ADOPTS NEW MEASURES 19 MAR

PY200217 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 19 Mar 87

[Text] The number of installments to pay consumer credits has been increased from four to six. This decision was made by the National Monetary Council in Brasilia this afternoon. The government has also decided to suspend most banking service charges created after the Cruzado Plan was enforced.

The government has also decided to put a special 15-billion-cruzado credit line at the disposal of small- and medium-sized companies. These credits will be paid back at a 1.5-percent interest rate every 3 months, plus the monetary correction.

All these measures were adopted during a National Monetary Council meeting in the Finance Ministry in Brasilia, which took place without the presence of a planning minister, who should be a member of this council.

The measures adopted today by the National Monetary Council, such as the increase in the number of credit installments from four to six, were interpreted as a signal showing that the government wishes to maintain economic growth by slightly stimulating consumption in order to prevent an economic slowdown.

After the meeting, Finance Minister Funaro gave a news conference to explain the new measures adopted by the National Monetary Council.

[Begin Funaro recording] We do not want a recession. On the contrary, we want the Brazilian economy to continue in a normal process and to allow people to maintain their same standard of living, even with a higher inflation rate as is expected. We cannot lose the achievements we made in 1986. [end recording]

MINISTER FUNARO WORKS ON NEW ECONOMIC PLAN

PY210148 Sao Paulo FOLHA DE SAO PAULO in Portuguese 19 Mar 87 p A19

[By Gilberto Dimenstein and Josias de Souza]

[Excerpts] Finance Minister Dilson Funaro, 53, has asked President Jose Sarney for one month in which to prepare a new economic stabilization plan. The general guidelines of the plan will try to reconcile economic growth with payment of the foreign debt and inflation control.

The Funaro plan will be a decisive factor for President Sarney when he decides whether or not to retain the finance minister in that post. FOLHA found out that this is the last chance Dilson Funaro and his aides, Joao Manuel Cardoso de Melo and Luiz Gonzaga Belluzzo, have.

As soon as it is completed, the plan will be submitted to the parties that support the government, PMDB and PFL [Brazilian Democratic Mobilization Party and Liberal Front Party], and to the new state governors who were elected on 15 November. To ensure the plan's success, in Sarney's opinion, its approval by the consensus of the "forces" that support him is fundamental. [passage omitted]

The plan's main goal will be to guarantee an economic growth capable of absorbing the labor force expected to enter the market this year, nearly 1.5 million workers. President Sarney has repeatedly expressed concern over the possible decline of economic growth and the return of recession. The plan will specify investments necessary for economic growth.

At the same time, the plan will show politicians, businessmen, and workers how economic growth can be reconciled with inflation control. [passage omitted]

NYERERE, PEREZ MEET SARNEY, DISCUSS DIALOGUE

PY182325 Brasilia Domestic Service in Portuguese 2200 GMT 18 Mar 87

[Excerpt] Former Tanzanian and Venezuelan presidents Julius Nyerere and Carlos Andres Perez, respectively, today visited President Jose Sarney to request his support for Willy Brandt's initiative for the creation of an independent southern commission to reestablish dialogue and cooperation among the poor countries and to resume the North-South dialogue.

President Sarney granted his support for this commission, which will comprise 24 Southern Hemisphere countries and which will be headquartered in Geneva. [passage omitted]

PACT SIGNED WITH PARAGUAY ON DRUG, CAR SMUGGLING

PY131553 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 13 Mar 87

[Text] Brazil and Paraguay will increase the struggle against drug trafficking and contraband on the Brazilian-Paraguayan border. An agreement to this effect was signed yesterday between the two governments. The Brazilian police have [words indistinct] the measures that will reduce the volume of stolen cars that are smuggled into Paraguay, and the entry of drugs into Brazil.

UN SPECIAL ADVISER ARRIVES TO GATHER INFORMATION

PY211830 Santiago Domestic Service in Spanish 1600 GMT 21 Mar 87

[Text] UN special adviser Fernando Volio arrived in Chile this morning. He thanked the government for supporting his work. He said that only Chileans can understand his work, and that he intends to meet with different officials. He said he plans to continue the work he began in January 1985. [recorded passage indistinct]

Asked about the contradiction between his report and the final resolution approved against Chile, Volio said this is a subject he cannot analyze. He said the only important thing is that he be allowed to carry out the task entrusted to him by the United Nations.

Regarding his work agenda, Volio said that first of all, he has a meeting scheduled with the Santiago archbishop, Cardinal Juan Francisco Fresno.

[Begin Volio recording] His excellency has agreed to meet with me at 1900 this afternoon. The meeting was scheduled today because he will soon be leaving Santiago for pastoral visits. So today was the only alternative for the meeting. [end recording]

Volio reiterated that the objective of his visit is to gather information from all sectors of the Chilean people. Let us recall that the Government of Chile, despite the latest political resolution, has decided to continue cooperating with the UN special observer.

Meets Interior Minister

PY231515 Santiago Domestic Service in Spanish 0930 GMT 23 Mar 87

[Text] UN special adviser Fernando Volio has deemed his meeting with Interior Minister Ricardo Garcia as the most important one he will hold during his visit to Chile. The meeting, which was attended by Ambassador Mario Calderon, Foreign Ministry adviser for special matters, and by a representative of the Foreign Ministry Advisory Commission on Human Rights, took place at La Moneda Palace. At the end of the meeting, Volio said:

[Begin recording] Therefore, I believe that, in every way, this meeting was the best and most productive one so far. [Words indistinct] it will enable me to conduct my mission with more enthusiasm, and with better knowledge of the situation. In the meeting, the minister also told me, as he did on previous occasions, that I can come to him if there are (?any) obstacles to my mission. [end recording]

Volio added that the interior minister confirmed the government's intention of granting him every facility to conduct his mission in a most complete manner. He said that the meeting gave him an opportunity to express his concern over a new agenda to be developed after the problems that brought him to the country are solved. This is a renewed agenda, he said, which delves deeply into serious problems that require further study. Volio stated: During the meeting I took the opportunity to express my points of view.

Volio said that it was agreed that the recommendations made in the four previous reports have to be evaluated. He concluded by saying that the decisions made during the meeting pleased him very much, because they will be very positive for his mission and for the government.

Says Courts Lack Independence

PY240146 Santiago Radio Chilena in Spanish 1600 GMT 23 Mar 87

[Report by Eliana Henriquez]

[Text] Fernando Volio, UN human rights special adviser, said today that the Chilean courts are not independent. The Costa Rican official held a meeting today with Interior Ministry lawyer Humberto Newman and with Foreign Ministry special adviser Mario Calderone.

At the end of this meeting, Volio referred to the lack of independence of Chilean courts. He stated that his opinion is based on the country's laws and on the fact that the courts have informed him about constitutional and legal limitations.

[Begin recording] [Volio] I believe that one of the main problems Chile is confronting regarding human rights is that courts must be independent so they can defend and safeguard the rights and freedoms of Chilean citizens. Although I may be wrong, this is one of my major concerns.

[Reporter] Do you believe then that Chilean courts are not independent at this time?

[Volio] No, they are not. [end recording]

During this meeting with the Interior Ministry lawyer and with the Foreign Ministry official, Volio reviewed the procedure that has been followed by the government in answering the UN advisers' memoranda which contain complaints about serious human rights violations.

Volio said that up to now, the government's answers do not satisfy him because they have been merely procedural. He said that he hopes that the government will investigate the behavior of its security agents who have been charged with human rights violations in different suits.

The UN adviser said that Neuman told him that from now on, the government will look into these situations. Volio also said that this will help to evaluate whether or not the government has fulfilled the recommendations that were made and which were discussed yesterday with the interior minister.

Volio also reported that he has requested meetings with military prosecutors in charge of investigating several terrorist crimes.

Moreover, Newman reported that during the meeting, the government answered 135 human rights violations charges that were raised by Fernando Volio, and that these answers were accompanied by certificates from the appropriate courts. The government official said that the majority of requests for court protection, of complaints, have been rejected by both lower and higher courts because they were unfounded, and that perhaps this is why the UN adviser is not happy with the answers that have been given.

Newman said that Fernando Volio was particularly interested in the cases that are being handled by the military prosecutors and by those cases handled by special Judges Jose Canovas and Carlos Cerda in civilian courts.

PCCH CENTRAL COMMITTEE WANTS TO DISCUSS UNITY

PY191434 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0105 GMT 18 Mar 87

[Text] Buenos Aires, 17 Mar (NA) -- The Communist Party of Chile [PCCh] reiterated today its call to all Chilean opposition forces to set aside "dogmatism and prejudice" in order to "end the regime" of General Augusto Pinochet, who is the only obstacle, in its view, to seeking the road leading to an "advanced democracy."

In its proposal, the PCCh noted that the "immense capability and strength of the united and mobilized Chilean people" must be rallied "behind a single patriotic banner to end the tyranny, and to frustrate the plan to ensure Pinochet's personal power until 1989 and even beyond through a gigantic electoral farce." This position of the PCCh was voiced by members of the Central Committee, former Deputies Luis Guastavino and Oscar Moya and former Senator Julieta Campusano, at a press conference they granted this afternoon in the office of the Argentine Communist Party.

Guastavino said: "We communists are determined to do our part toward this great commitment. We affirm that we are open to debate all opinions and to coordinate objectives, strategies, and methods of struggle with all opposition political forces." To that effect, the Chilean communist leaders stressed that their party is willing to discuss and come to terms "on the most complex and delicate issues," including those of violence and the military.

In addition to making their proposal, they said that the Chilean communists support "the creation of a group of personalities, whether belonging to a party or not, which will represent the entire spectrum of the opposition and command the necessary confidence and support to promote at least a minimum initial understanding." They added that they accept the political proposal presented by president of the National Civic Assembly Dr Juan Luis Gonzalez, and that they agree to take the "Chile demands" document -- which was at one time supported by all the opposition -- as the "common platform of the forces" which enter into the agreement.

The Chilean Communists also proposed that the immediate measures of the National Accord [words indistinct]

Guastavino pointed out that the PCC "does not support the militarization of politics and it is clear that [words indistinct] the use of force to oust the dictatorship now if we can come to an agreement."

Guastavino added: "We have different projects and we are looking beyond Pinochet, then we say: Let us come to an agreement, let us eliminate the obstacle obstructing our project and eradicate fascism in Chile. Let Chilean society decide the path and project to be followed."

OFFICIAL GAZETTE PUBLISHES POLITICAL PARTIES LAW

PY232135 Santiago Radio Chilean in Spanish 1600 GMT 23 Mar 87

[Excerpt] Law 18603 was published in today's official Gazette. This is the constitutional law which will rule the organization of political parties and it contains 9 titles, 63 articles, 1 final article and 3 temporary articles. The law has been signed by President Pinochet, the members of the Government Junta, and the interior and justice ministers. [passage omitted]

CONGRESS LEADER REBUTS U.S. ENVOY'S STATEMENTS

PA232238 Bogota EL TIEMPO in Spanish 16 Mar 87 p 12-C

[Text] Paipa, 15 Mar -- Congress President Humberto Pelaez Gutierrez has labeled the statements by U.S. Ambassador to Colombia Charles Gillespie on the Supreme Court of Justice's latest extradition decision as interference in the country's internal affairs.

Pelaez Guiterrez said that Ambassador Gillespie was "getting into matters outside his jurisdiction. In no way should he classify our institutions' performance as good or bad." He added: "What our Supreme Court decides is highly respected by Colombians and more so by foreigners. The ambassador cannot say that the court is mistaken in its decision regarding the charge that Law 68 of 1986, approved by President Virgilio Barco in December 1986, is inapplicable [inexequible]."

Senator Pelaez Gutierrez stated that if the court declares the treaty's enabling law to be inapplicable, one of two situations will occur: President Barco will submit a new draft of the treaty's enabling law to Congress, or he will keep his word that the treaty will be revised and renegotiated. Pelaez added that with a court decision stating that the law is inapplicable a treaty would still exist, but it would be invalid without an enabling law.

Pelaez Guiterrez, who is chairing the sixth regular period of sessions of the Andean Parliament at the convention center of the Hotel Estelar in Paipa, also stated his concern over Ambassador Gillespie's statement that the treaty would not be revised by his country. Pelaez Gutierrez said: "The ambassador has hastened to say that the treaty will not be revised. However, these are bilateral matters, and if one country insists on renegotiating it and if the court declares the enabling law inapplicable and it is not revised, the treaty would be invalid." He added that these possibilities were pointed out to Ambassador Charles Gillespie and U.S. senators and that perhaps their statements are based on these considerations.

The Andean Parliament president also rejected the U.S. warning that it expects the Supreme Court to arrive at a legal decision and not be intimidated. Pelaez Gutierrez said: "It is my opinion that this need not have been said, because it is a basic premise that the court works on a legal basis." He added that the United States is undoubtedly arrogant in dealing with the subject of drug dealing and extradition, it continues to look over our shoulders and has never looked at or treated us as equals.

He stated that this complaint of unequal treatment should come from all of Latin America, because if we unite we will be able to confront any of the powers face to face. He said that Lain America should free itself of Damocles' sword called the foreign debt, which daily becomes more of a scourge than drug trafficking.

He observed that Fidel Castro's proposal that a 10-percent reduction of arms race expenses of 1 year would serve to pay the Third World countries' foreign debt should be reflected upon.

BRIEFS

NEW DEPUTY COMMUNICATIONS MINISTER -- Marco Tulio Rodriguez, the new deputy communications minister, has stated that his immediate concern will be the modernization of the country's telecommunications and the respect for freedom of the press. [Text] [Bogota Emisoras CARACOL Network in Spanish 1215 GMT 16 Mar 87 PA]

FEBRES CORDERO APPOINTS NEW INDUSTRIES MINISTER

PA231942 Buenos Aires REUTER in Spanish 1727 GMT 23 Mar 87

[Text] Quito, 23 Mar (REUTER) -- A presidential spokesman has told this news agency that President Leon Febres Cordero has appointed Ricardo Noboa Bejarano new minister of industries, commerce, integration, and fishing.

Noboa replaces Javier Neira, who resigned on Thursday after admitting he had failed to achieve a reorientation in the Andean Pact, which links the economies of Venezuela, Colombia, Ecuador, Peru, and Bolivia.

Since December, Neira was head of the commission of the Cartagena Agreement or Andean Pact, which is the executive body in charge of the economic integration process among Venezuela, Colombia, Ecuador, Peru, and Boliva.

The new minister, a 34-year-old businessman, was fishing under secretary in Guayaquil from August 1984 to September 1986, and has since been involved in his private law practice.

ANDEAN INSTITUTION APPROVES PIPELINE REPAIR LOAN

PA200447 Paris AFP in Spanish 0144 GMT 20 Mar 87

[Text] Caracas, 19 Mar (AFP) -- The Andean Development Corporation (CAF) today granted Ecuador an $11.7 million loan to help rebuild the 40 km of oil pipeline destroyed by the earthquake which recently hit the country.

The loan document was signed at CAF headquarters in Caracas by Ecuadoran Ambassador Antonio Parra Gil and CAF President Galo Montano Perez.

It is recalled that oil refining and export operations, Ecuador's main economic resource, had to be interrupted due to the oil pipeline's rupture.

The CAF loan was originally approved to enlarge the oil pipeline, but immediately after the earthquake Ecuadoran authorities requested a change in the contract terms to include reconstruction.

Montano stressed that the loan is an expression of solidarity because the other governments which comprise CAF with Ecuador -- Bolivia, Colombia, Peru, and Venezuela -- quickly gave their approval to changing the terms and granting the loan.

PRESIDENTIAL ADVISER ON FOREIGN DEBT, LOANS

PA192116 Quito Radio in Spanish 2300 GMT 18 Mar 87

[Text] Francisco Swett, the former Ecuadoran finance minister and current presidential adviser, has said that Ecuador's foreign debt must be applied or expanded to include the existing [word indistinct] of $450 million to be used for oil repair works, construction of roads and [words indistinct] for eventual damages.

Former Minister Swett was appointed presidential adviser by President Leon Febres Cordero last week, although he had already been acting as government [word indistinct] in economic affairs. Regarding the increase in the Ecuadoran foreign debt, the presidential adviser said:

[Begin recording] In other words and to conclude, what we have is a deficit that fluctuates between 435 and 450 million [currency not specified] and we can be a little more specific and say that it fluctuates around $450 million [words indistinct] of deficit, of deficit [repeats himself] (?in resources).

How do we overcome that deficit? It is precisely at that moment that the coordination that we are setting up with institutions like the World Bank, the IDB, other countries' governments, the Andean Development Corporation, and the IMF becomes useful. All we can obtain from those institutions should total approximately $450 million, which is the deficit in resources that will allow us to meet the 1987 fiscal program. [end recording]

MINISTER ON BUDGET CHANGES, ECONOMIC MEASURES

PA190425 Quito Voz de los Andes in Spanish 1130 GMT 18 Mar 87

[Text] Finance and Public Credit Minister Domingo Cordovez has stated that the state's general budget will be reorganized and additional economic measures will be taken to counter our economic crisis. He said that only 16 billion sucres will be collected with the new fuel prices, and this is not enough given the country's emergency.

[Begin recording] [Cordovez in progress]....for approximately 16 billion sucres.

[Reporter] What other revenues would complete the 88 billion that you mention?

[Cordovez] We are on the final phase of an analysis to reorganize our budget and carry out additional compensation measures to reach the amount.

[Reporter] What measures?

[Cordovez] Basically, compensation of additional resources from the Central Bank to the state, within the terms established by the monetary regime.

[Reporter] By what percentage will the budget be reduced?

[Cordovez] Well, the highest option we have is 5 percent; this would mean approximately 10 billion sucres.

[Reporter] Would the muncipalities' budget be reduced?

[Cordovez] Well, the budget appropriations for them -- as a result of oil sales -- would definitely be affected. However, the municipalities' budget must be handled by them based on whatever resources they have available.

[Reporter] How are you going to distribute the resources which are left from the nonpayment of the foreign debt?

[Cordovez] Well, this is also part of the compensation process. According to legal rules we cannot exclude those amounts from the state's expenses.

[Reporter] Mr Minister, is the government analyzing the possibility of granting a salary increase?

[Cordovez] I do not know, I do not know.

[Reporter] Have the Ecuadoran workers or transportation sector announced a strike?

[Cordovez] I understand that a meeting will be held on Thursday by certain labor groups and I suppose that they will reach a decision.

[Reporter] The Finance Ministry workers also announced a strike for today. Could that be resolved, Mr Minister?

[Cordovez] Look, the problem could be resolved: I think this is a precautionary measure, but it failed to attain the results that the association expected. The workers' participation is minimal; they are working with the public and the ministry operations in general are normal.

[Reporter] Will the workers on strike be allowed to leave?

[Cordovez] Those who want to leave may do so. [end recording]

LABOR MINISTER ON EMERGENCY ECONOMIC MEASURES

PA192141 Quito Voz de los Andes in Spanish 1130 GMT 18 Mar 87

[Text] Labor Minister Jorge Egas Pena has stated that a salary increase is out of the question when the country faces an anguishing emergency and economic crisis. The minister emphasized that if a salary adjustment is approved, it will only be implemented through the labor commissions' mechanisms.

[Begin Egas recording] The critical situation, which prevails in the country; the earthquake which hit important regions of the country; and the grave consequences in the oil exploitation and export sectors -- which represents one of our country's main sources of revenue, and one of the ways to finance our national budget -- have prompted the government to adopt extreme economic measures. The measures are aimed at minimizing the difficult economic situation which prevails in the country because of recent events. Consequently, the adoption of these measures must never be used to demand a salary increase, given the current situation. I think that if the circumstances determine the need to review the salaries this must be done considering the real possibilities our economy has to absorb these increases; the adequate financing; and the actual situation of the country's workers. You must recall that two general salary increases were approved last year, one in January and another in October, and the labor commissions analyzed the salaries. The salaries were increased an average of 30 percent on 1 January 1987. The national government currently faces a critical situation. The adoption of measures such as the increase in fuel prices to balance our national budget and face the minimum requirements for the survival of the state, are drastic but necessary given the emergency we face. [end recording]

GARCIA DEPARTS ON 3-DAY OFFICIAL VISIT TO MEXICO

PY232155 Madrid EFE in Spanish 2058 GMT 23 Mar 87

[Excerpt] Lima, 23 Mar (EFE) -- Peruvian President Alan Garcia departed today for Mexico for a 3-day official visit. Before boarding his plane, Garcia stressed that "Peruvian democracy is not in danger."

At the Callao Air Force Base, Garcia stated that "Peruvian democracy is firm and solid and that it is appropriately established from a political viewpoint and we are advancing in the economic and social sectors." Garcia also stated that the economic plan implemented more than 20 months ago will be maintained because "it has achieved good results as shown by the decrease in inflation and an increase in purchasing power."

During his stay in Mexico a series of agreements will be signed in the financial, trade, energy -- oil and gas -- mining, metallurgical, and agricultural fields. [passage omitted]

SWAPO'S NUJOMA VISITS GARCIA, EXPRESSES THANKS

PY201346 Lima Canal 9 Television in Spanish 0100 GMT 20 Mar 87

[Excerpts] Sam Nujoma, president of the South-West African People's Organization, SWAPO, today visited President Alan Garcia. [passage omitted] President Garcia and Nujoma met for about 1 hour to discuss matters of mutual interest.

[Begin recording] [Reporter] They are now coming out of the Government Palace.

[Reporter in Spanish with simultaneous translation into English] What is the reason for your visit?

[Nujoma in English] My delegation [words indistinct] of the SWAPO Central Committee to convey our profound gratitude and appreciation to President Garcia, and to the Peruvian Government and people for their solidarity and support for the liberation of Namibia and above all for the announcement made by President Garcia in Harare during the Nonaligned Movement meeting. Peru defended SWAPO in its struggle for the freedom and independence of Namibia [words indistinct] to final victory because of the support of 20 million Peruvians and of all the progressive forces in Peru. [end recording]

Further Report

PY211720 Lima Television Peruana in Spanish 0100 GMT 21 Mar 87

[Text] SWAPO President Sam Nujoma held a news conference today before leaving Peru. Nujoma reported to the Peruvian press on the difficult situation of Namibia's blacks under white rule. He explained that in 1960 some efforts were made to obtain independence for the blacks but the negotiations failed. This prompted the rise of the liberation movement because, according to Nujoma, all black people have the right to free themselves from the terrorism of the whites. He also said that Peru and President Alan Garcia have extended their support for the struggle of the Namibian people, adding that the possibility of having a Namibian representative in Peruk was left open.

[Begin Nujoma recording in English] During the talks we held yesterday at Government House with President Alan Garcia, we discussed the possibility of having in Lima a representative of our movement who would be in charge of keeping South America informed about the motives of our movement and we hope to open a bureau of our movement here soon. [end recording]

COOPERATION AGREEMENTS SIGNED WITH VENEZUELA

PY211747 Lima Television Peruana in Spanish 0100 GMT 21 Mar 87

[Excerpt] Peruvian Foreign Minister Allan Wagner and his Venezuelan counterpart, Simon Alberto Consalvi, have agreed to reinforce current cooperation agreements and to establish new instruments for increasing bilateral trade, with the goal of strengthening relations between the two countries. Within this context, the foreign ministers have signed an agreement to merge the present mixed commissions into a Peruvian-Venezuelan cooperation commission and to convene its first meeting in Lima during the second half of 1987. They have also signed an agreement to eliminate the need for visas on diplomatic, special, and services passports for the two countries. These agreements were signed during the 4-day official visit by Venezuelan Foreign Minister Consalvi to Peru.

[Begin Wagner recording] During our meetings, we covered the broadest variety of issues within the framework of our bilateral relations and the regional and international situation. I would like to stress that we have reaffirmed our decision to continue our firm and active participation in the Contadora process, through the Contadora Group and the Contadora Support Group, to which Venezuela and Peru belong. We have also made it clear that our governments support each other's sovereign decisions regarding the foreign debt. [end recording]

BOMB EXPLOSION AT BANK OF LONDON INJURES FOUR

PY211417 Paris AFP in Spanish 0308 GMT 21 Mar 87

[Text] Lima, 20 Mar (AFP) -- Police reported here that four persons were injured tonight when a subversive commando group bombed the entrance of the Bank of London, 200 meters from Lima's main square. The bomb caused considerable damage. The injured -- two men, a woman and a child -- were hospitalized and, according to the doctors who are treating them, are in critical condition.

The bomb was left in an area where most main banks in Lima have their headquarters, and few Lima residents go there at night. This made it easy for the extremists to escape.

The Bank of London is a British-capital bank which conducts all sorts of banking and financial transactions in Peru. The police feel that the attack came from the Tupac Amaru Revolutionary Movement, which in the course of 1 month has bombed approximately 40 banking offices in Lima.

BRIEFS

AGREEMENTS WITH SPAIN -- Foreign Minister Allan Wagner Tizon and Spanish Ambassador to Peru Jose Luis Dicenta Ballester on 19 February signed two cooperation agreements. According to the agreements, the Spanish Government will invest approximately $2 million and will assign 25 Spanish experts to work in Peru. [Summary] [Lima EL COMERCIO in Spanish 19 Feb 87 p A4 PY]

INTERIOR MINISTER EXPLAINS EVENTS IN MERIDA

PA192317 Caracas Television Service in Spanish 0000 GMT 19 Mar 87

[Report by Martin Pacheco]

[Text] The formal accusation, made by Interior Minister Jose Angel Ciliberto, appears in an official statement where it gives a detailed list of events that have so far caused losses amounting to 50 million bolivares. The homicide of engineering student Luis Ramon Carvallo Cantor by lawyer Bernardino Navas, was the detonator of these bloody events, which initiated the police and military mobilization to counteract them.

Minister Ciliberto gathered with reporters in The Mirror Room of the Miraflores Palace [presidential palace], to state that the university community protest against the alleged killer was used as an excuse by anarchist groups with obvious subversive intentions to provoke public disorders like pillaging, vandalism, and attacks against all sorts of properties, as well as attacks against both public and private buildings, creating the situation we have today.

[Began Ciliberto recording] Various people have been detained, and we are checking their backgrounds. Of course, those detained -- I believe there are some 180 detained in Merida [changes thought]. I must tell you that those without documents will be immediately sent to El Dorado [prison]. This has been my promise and obligation as interior minister for all those without documentation that engage in criminal acts. Those who are detained in Merida will be taken to El Dorado, and the others, those of course who have legal residence in the country, will be tried with the Venezuelans according to the law. [end recording] Later, the minister referred to the joint work carried out by the police and Armed Forces corps to return law and order to the Merida capital. Thanks to this, more deaths have been avoided. According to Minister Ciliberto, the government acted sternly but prudently.

[Begin Ciliberto recording] I personally requested the attorney general to send a special prosecutor to Merida last Sunday and I also requested help from the Armed Forces to protect Merida, because the Merida National guard and Army contingents have been sent to participate in maneuvers that will be held on Monday. [end recording] Interior Minister Ciliberto described Carvallo's assasination as treacherous and told Carvallo's relatives that the criminal Bernardino Navas will be severely punished according to the law.

Finally Ciliberto called on all democratic forces of the country, political parties, workers, businessmen, young people, the Armed Forces, and the church to defend the system against the groups that are trying to subvert the institutions and that are attacking the lives and properties of the Venezuelan people. He called on all political parties to interpret the Merida incidents as a warning of possible threats against the country's democratic institutions and not to interpret them as a political problem.

BRIEFS

NEW OIL FIELDS FOUND -- As a result of intensive exploration in 1985 and 1986, Lagoven, a subsidiary of Venezuelan Petroleum, Inc, has reported that major oil fields have been located in eastern Monagas State. Two of these fields have proven reserve of 780 million barrels. Moreover, experts believe that as drilling continues the reserves in the El Furrial area will go up. The Furrial I well is producing 7,331 barrels a day, and the El Furrial II well is producing 5,932 barrels a day. [Summary] [Caracas EL NACIONAL in Spanish 13 Mar 87 p 2-1 PA]

DE LA MADRID DISCUSSES DEBT TALKS, GARCIA VISIT

PA240303 Mexico City Red Nacional 13 Imevision Television in Spanish 0130 GMT 23 Mar 87

[Text] The foreign debt negotiations have been carried out as planned, based on the economic strategy Mexico designed and decided on with full autonomy, President de la Madrid said during an interview with a Peruvian television station. The president discussed bilateral relations between Mexico and Peru and the possibilty of broadening them. The president said that negotiations with the international financial organizations were difficult, but an agreement was achieved that guaranteed full national autonomy. He pointed out that Mexico maintains that a policy of recessive adjustments is not possible and that in order to pay we must grow, and it is to this end that the program of encouragement and growth was designed.

President de la Madrid said that the IMF finally admitted that Mexico must base its foreign debt negotiations and the general financing of its development on the country's needed growth in order to fulfill its commitments. The Mexican president also maintained that despite the circumstances and the composition of the debt itself, each country should find a path for its negotiations and solutions. He also explained that during the negotiations Mexico attained the acknowledgment that in response to the considerable fluctuations in export prices, basically oil prices, the amount of financing, the broadening of deadlines, and the reduction of costs should also be adjusted. President de la Madrid said that in negotiating and resolving the Latin American countries' foreign debts, the main focus should be on a political dialogue, and this, in fact, is what is occurring.

De la Madrid said that Peruvian President Alan Garcia's visit to Mexico will result in new paths of cooperation among the nations and also a continued contribution to the region's true integration. He said that Mexico may offer Peru technical advice in the exploitation of oil deposits and may also broaden and establish reciprocal cooperation projects in the field of tourism.

President de la Madrid expressed pleasure over President Alan Garcia's visit and said that Mexico and Peru have historic ties and agree in their struggles for democracy and development.

PERUVIAN PRESIDENT ARRIVES ON OFFICIAL VISIT

PA240249 Paris AFP in Spanish 0230 GMT 23 Mar 87

[Text] Mexico City, 23 Mar (AFP) -- Peruvian President Alan Garcia arrived this evening in Mexico where he will begin an official visit that will last a little over 48 hours.

The Peruvian president arrived at 2000 (0200 GMT) and was greeted at the airport by Mexican Foreign Secretary Bernardo Sepulveda.

On Tuesday, Alan Garcia will be given a protocol reception hosted by Mexican President Miguel de la Madrid at the national government palace.

Immediately afterward, the presidents will hold the first of their two rounds of talks scheduled during the visit.

Special security measures, unprecedented in any other official visit, were adopted by Mexican authorities to provide the maximum protection possible for the Peruvian chief of state.

COSTA RICA

MADRIGAL ON ESQUIPULAS DATE, DELEGATION TO MANAGUA

PA191501 San Jose Radio Reloj in Spanish 1230 GMT 19 Mar 87

[Text] Yesterday, Foreign Minister Rodrigo Madrigal announced that Costa Rica has proposed to the other four Central American governments that the Esquipulas presidential summit be held on 2 and 3 May. Costa Rica had initially proposed it be held on 25 and 26 April, because the 15 May date suggested by Guatemala clashes with the trip that President Oscar Arias plans to make to several European countries. The Costa Rican foreign minister said that it is hoped a date will be agreed upon by consensus of the five presidents to hold this meeting. During the meeting, Costa Rica's peace plan will be discussed.

Admitting that negotiating a date for the Esquipulas presidential meeting will be difficult, Foreign Minister Madrigal expressed skepticism about the meeting. He said that because in diplomatic negotiations there is no coordinator to orient the talks, the representatives of the five governments discuss the topics among themselves. [sentence as heard] Nevertheless, Madrigal said he hopes the importance of the topics discussed in the Esquipulas meeting will be borne in mind.

Foreign Minister Madrigal said there is no reason to hurry in appointing the delegation that will travel to Managua to explain Costa Rica's peace proposal. He said that no decision has been made on who will comprise the delegation, but that this is under study. He also said the mission might not travel this week to Nicaragua as President Arias announced on Friday. Madrigal stressed that these things take time and there is no reason to hurry. He said the decision will be made at the opportune moment.

Arias Seeks Postponement

PA222148 San Jose Radio Reloj in Spanish 1330 GMT 22 Mar 87

[Text] Costa Rican President Oscar Arias wants European countries to learn about the peace proposal before Central America adopts a position on it.

President Arias is proposing and seeking to postpone the summit of Central American presidents in Esquipulas in order to have an opportunity to travel to Europe first. According to President Arias, it is important that the European governments learn about the Central American peace proposal before the Esquipulas meeting takes place. Apparently Guatemalan President Vinicio Cerezo supports Arias' idea.

At the same time, Arias Sanchez wants to give more time to the governments of the rest of the area so they can further analyze the proposal and express their opinions.

FOREIGN MINISTER CLOSES UNCTAD MEETING

PA221759 Hamburg DPA in Spanish 2157 GMT 20 Mar 87

[Text] San Jose, 20 Mar (DPA) -- The UNCTAD preparatory meeting concluded today with an official ceremony.

The "Declaration of San Jose," which was approved yesterday, was made public today. The declaration clearly stated that "it is impossible to continue paying interest on the foreign debt with the net product [producto neteo] of the exports from the underdeveloped countries."

The declaration also repeats that "the way in which the industrialized countries are restricting imports from the Third World countries is unacceptable."

The finishing touches to the document will be made during the meeting of the "Group of 77" in Havana in April. The final document will present the position of Latin America at the seventh UNCTAD meeting in Geneva in July 1987. Delegates from 26 Latin American countries attended the San Jose preparatory meeting. The closing ceremony was presided over by Costa Rican Foreign Minister Rodrigo Madrigal Nieto.

OIJ REPORTS AIRPORTS USED FOR DRUG TRAFFICKING

PA192118 San Jose LA PRENSA LIBRE in Spanish 11 Mar 87 p 8

[Text] An official report of the Judicial Investigation Organization (OIJ) states that a total of seven landing strips in national territory were used for the international cocaine traffic by a band who is headquartered in the United States. Apparently, two Costa Rican pilots participated in these activities.

The two locals, who were supposedly involved in the international drug traffic involving millions, [no currency specified] were identified as J.A. Guerra and Gerardo Duran. The former has been arrested and is in an OIJ jail in Ciudad Neily.

The information given by judicial officials is that drug dealers used at least seven local airports for their clandestine operations, especially the Llano Grande Airport. The landing strips at Tamarindo, La Cueva, Coyolar, and Ciruelas were also used to transport cocaine from Colombia to the United States. The drug dealing organization with headquarters in Colombia and the United States, which used our country as a bridge for its illegal activities, also used the Sardinal landing strip and the Las Loras airport.

Apparently, Guerra and Duran received the cocaine at one of these airports, moved it elsewhere, and finally shipped it to Miami, where it would be sold to consumers.

Ths Costa Rican pilots were identified by a U.S. Drug Enforcement Agency secret agent who testified in a trial court in Santa Cruz, Guanacaste. It was determined that the pilots did not fly the international band's planes, but did help by supplying gasoline and spare parts, and moving the cocaine from one airstrip to another.

The heads of the international band were identified as George Morales, Colombian, and Alberto Alem, Cuban. Both have charges pending against them in a Miami court.

EL SALVADOR

CHILEAN EMBASSY DEPLORES DUARTE REMARKS

PA230435 San Salvador LA PRENSA GRAFICA in Spanish 20 Mar 87 p 3

[Text] The Chilean Embassy has described President Duarte's remarks regarding General Pinochet's regime as detrimental to Chile and the Chilean Government.

A communique issued by the Chilean Embassy here in San Salvador states that the remarks are in no way consistent with the most elementary rules and principles guiding the coexistence among the members of the international community, which are based on respect and consideration, much less with the degree of friendship existing between the Republics of Chile and El Salvador as well as Chile's permanent and traditional cooperation and solidarity with its Salvadoran brothers. President Duarte's remarks are so far removed from Chile's reality that they would seem to refer to some other region of the world and to a people other than the Chilean people.

The situation of poverty described in the statements is in sharp contrast with the authoritative opinions of many prestigious experts and international financial organizations, which have praised the management of Chile's economy.

The communique also states that Chile is one of the few Third World countries which is meeting its financial obligations, noting that Chile has a record of sustained growth. The inflation rate inherited from President Allende was 1,500 percent, but now the government can boast an inflation rate of less than 20 percent. It adds that the unemployment rate is 8 percent, far below that of many developed countries, and that Chile has one of the lowest mortality, morbidity, and malnutrition rates in Latin America.

The embassy stresses that almost all of the urban population that used to live in shanties have been provided with decent and hygenic housing, and the shantytowns have been eradicated. It is also reported that the level of well-being that has been attained is no happenstance. We have realized that the state cannot become a scavenger of the resources required by enterprises to grow. We have opted to avoid collecting higher taxes and have, instead, tried to make maximum use of the fiscal resources, rationally providing and operating public services and devoting the taxpayers' money to works for the common good, so their economic sacrifice may be reflected in concrete achievements.

The communique also cites the Chilean Government's efforts in favor of democracy.

GUERRILLAS TAKE TOWN OF SAN CAYETANO ISTEPEQUE

PA231645 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 23 Mar 87

[Text] Attention, please. The FMLN has taken the town of San Cayetano Istepeque. Today, Sunday, 22 March, at 0040, guerrilla units from the Felipe Pena Mendoza Battalion staged a successful guerrilla maneuver, evicting members of the 5th Infantry Brigade and civil defense personnel from San Cayetano Istepeque, and subsequently taking over the town and capturing the mayor.

Using [words indistinct], grenades, and rifle fire, the guerrillas attacked the checkpoints that the demoralized troops maintained around the town park. As a result of the attack, the enemy suffered five casualties, including dead and wounded. The rest of the troops ran away in complete disorder, leaving the town completely under the control of our forces. The units proceeded to carry out propaganda and sabotaged two power transformers, leaving a large zone of San Vicente without electricity. At the same time, our forces captured the town's mayor, Mr Gonzalo Alonso Garcia, a member of the Christian Democratic Party, who will be detained by our forces pending an investigation.

After this successful maneuver, our forces withdrew without any problem. Our combative and revolutionary salute to the Anastasio Aquino Paracentral Front, which constantly makes a mockery of the useless, incapable gorilla Campos Anaya, commander of the 5th Infantry Brigade.

ASI PRESIDENT ANALYZES SOCIOECONOMIC SITUATION

PA152256 San Salvador LA PRENSA GRAFICA in Spanish 13 Mar 87 pp 3, 50

[Text] The burden of taxes and excessive administrative controls are creating the so-called "underground economy" [economic subterranea] that, in turn, contributes to a flight of capital. As industrialists, we continue to insist on the necessity of establishing basic conditions of understanding among all sectors of the population.

This was said last night by Eduardo Menendez, president of the Salvadoran Industrialists Association, ASI, when he presented his report at the end of his term in office to the ASI general assembly.

When analyzing the socioeconomic situation of the country, Menendez pointed out that we are caught inside a whirlwind of actions that begin at one point and, through a series of turns, push us into other stages, going downhill until we reach our original point, where another cycle of deterioration begins.

Without underestimating the fact that heavy financial resources are needed to fight subversion, he added that, undoubtedly, we are at a stage where public expenses are growing because more ministries and deputy ministries are being created, although they are not justified. On the contrary, he said, this growth in bureaucracy is leading us to a fiscal deficit that we cannot control and that we estimate will be even higher this year as a result of the drop in coffee prices and the apparent lack of sales.

All these factors provoke negative psychological effects -- such as an uncertainty in the future -- inasmuch as it is not known what the government will do. An atmosphere of distrust prevails that leads to a halt in new investments and suspension of current investments, Menendez stated. This atmosphere of uncertainty and distrust, he added, contributes to a flight of capital that is worsened by the burden of heavy taxes and excessive administrative controls that create the so-called "underground economy," which is already becoming a new social disgrace.

Undoubtedly this atmosphere of uncertainty and distrust leads us to economic stagnation. When there are no incentives to produce more and better products, inflation results.

On the subject of the legislative situation, Menendez stated that "we are living under a despotic state leadership that seeks to control everything, and that is the basic reason why new laws have been created. As a result of the pressure of public opinion, some of these laws have been declared unconstitutional or changed considerably. This situation could have been avoided if there was a more receptive atmosphere for listening to the reasons that were brought up in sufficient time to reject the laws. [no closing quotation mark as published]

Eduardo Menendez said that ASI feels there is still time for change and all we need is for government to clearly define the rules of the game. Although it is necessary for government to enforce its principle of authority, this should not make it all-powerful in management and control, mostly because the actions of the private sector do not seek to destabilize or undermine this principle of authority, he explained.

As industrialists, he pointed out, we must continue insisting on the necessity to establish the basic conditions of understanding among all sectors of the population. However, in order to do this the government must inspire confidence that will encourage investments and establish the minimum guarantees that will allow planning, implementing, and developing new projects, as well as for saving the enterprises that are in a crisis situation. ASI wishes to reiterate its willingness to contribute to the resolution of the country's problems, as ASI is in a position to become a source of wealth and well-being for the Salvadoran people, Eduardo Menendez pointed out in his broad analysis.

Our association, he concluded, is willing to work and make efforts and sacrifices, but it requires the government to give up its confrontational attitude, because it is using the media and all means of social communication to pretend there is not a deep crisis in the country. This crisis will only be overcome with the cooperation of all Salvadorans, and by reducing to a minimum all types of interventionist and ideological intereference. Our people are sufficiently mature to choose the means that will lead them to improvements and to become a free, sovereign, and independent nation.

ECONOMY MINISTER ON CENTRAL AMERICAN TRADE

PA231952 San Salvador Radio Cadena Sonora in Spanish 2130 GMT 20 Mar 87

[Text] Economy Minister Jose Ricardo Perdomo today reported that bilateral trade agreements with Nicaragua, Honduras, and Costa Rica were signed in the past few days. These agreements will improve trade relations between the three Central American countries and El Salvador. Among other things, he highlighted the following achievements:

[Begin Perdomo recording] Another [as heard] issue discussed was the agreements reached by the transportation ministers in Guatemala recently. The integration ministers felt that these agreements were yielding positive results.

At the Guatemala meeting -- attended by the public works minister and yours truly -- we reached agreements to facilitate transportation at the border. We established a single charge; a single schedule, 24 hours a day; a single written form; and a single procedure so we will not have the obstructions we have had in the past. We made this effort because 90 percent of inter-regional trade is conducted by ground transportation. Therefore, if we really wanted to strengthen trade and the economic integration of Central America we had to find a solution to the border transportation problems.

Responding to a request from Salvadoran transporters, El Salvador proposed the establishment of a reciprocal agreement on the handling of cargo in each of the countries. We proposed that handling charges on internal cargo in Central America be suspended, as we are doing in El Salvador. We are asking that our Salvadoran transporters be allowed to handle internal cargo after they bring it in from another country. This proposal was supported by the other ministers.

Another important point was that we fully supported Costa Rica in a proposal made by President Arias and Mrs Figueres for the creation of a Central American multinational enterprise to market regional arts and crafts. This project was presented to the Central American Integration Bank and we are supporting it fully so the region's arts and crafts can be marketed abroad jointly. Likewise, this will make it possible for us to share in all aspects related to technical advice, stocking, production, and marketing. Not only will we be exporting an important product, but we will also be exporting our culture and that which makes us unique, as expressed in the arts and crafts of our nations. This is a way to show appreciation for our people's values and customs.

This is the scope of the achievements and agreements reached at the Managua meeting. We feel they were very significant; we believe all the countries honestly want to be accepted and understood, and wish to make great efforts in favor of Central American integration.

I would now like to report on yesterday's meeting in Tegucigalpa. Yesterday, we signed a very important agreement in Tegucigalpa. It results from the visit the Honduran delegation, headed by the economy minister and members of that country's private sector, made to our country in an effort to strengthen our trade. According to this agreement, which will go into effect on 1 April, more than 250 products will be included in Annex A of the Honduras-El Salvador Bilateral Trade Agreement. This strengthens trade between the two countries. In addition, we are asking the central banks of each country to establish, as soon as possible, payment mechanisms similar to those recently agreed upon with Guatemala.

I proposed a project drafted by the Salvadoran Reserve Bank that Honduran officials accepted in principle. We are asking that representatives of the central banks of El Salvador and Honduras meet to reach an agreement on the mechanisms for payment. We suggested that DICA [Central American Import bond], national currency, barter, and dollars be used as forms of payment. In other words, they are free to use any of them. All we ask for is a register to control the trade.

We said we are not interested -- and this is what is new about the agreement -- in having a winner or loser in trade relations. What we want is to strengthen trade, and for all to benefit. We want all of us to reactivate our internal economies through continuous and competitive trade.

One thing that is very important: I asked Honduran businessmen not to be afraid of increased exchange with El Salvador. I told them that although Salvadoran industrialists and businessmen are very dynamic and active, they want free competition and to share their experiences and efforts with Honduran businessmen. We can no longer have closed economies, and excess protectionism. We must begin competing as equals. The agreement signed yesterday took those feelings into account.

A list of the products that were included will be published in a paid advertisement so all Salvadoran industrialists and businessmen can become familiar with them.

I also want to tell you that we analyzed the agricultural supply problems to meet our people's needs. The five ministers agreed on asking the five agriculture ministers to hold a joint meeting to see how we can incorporate agriculture into the CACM. We will see in what ways we can promote competition and come up with conditions of equality in trade among the countries. This can be achieved through a standardization of prices so at a given moment, the surplus farm products of one country can satisfy the needs of another country, thus guaranteeing food for our people.

This was another important agreement we feel will not only give a boost to the market, but to the Central American agricultural sector. [end recording]

This is what Salvadoran Economy Minister Perdomo said when he referred to bilateral agreements signed to promote the commercial ties that have been all but stagnant with Nicaragua, Guatemala, and Honduras. Everything seems to indicate we are on the right path, Perdomo said, adding that El Salvador is interested in strengthening trade with Central America.

Discusses Managua Debt Meeting

PA220130 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 20 Mar 87

[Oscar Venancio Ramirez report -- broadcast in progress]

[Text] ...Ricardo Perdomo [Salvadoran Economy Minister Jose Ricardo Perdomo] said today that the problem of the foreign debt was discussed during a recent meeting with his counterparts in Managua, and they reached an agreement according to which the independent policies of each country in the area will be respected.

According to Perdomo, each country's debt is of a different nature. He said that the objective of the meeting was to narrow the gap between the countries' positions, which are not in agreement. He said that trade in the Central American area amounted to $1.2 billion in 1980, but dropped sharply in recent years and now amounts to $400 million. The economic revival in each country forms part of Central America's economic integration, he noted.

[Begin recording] [Perdomo] The nature of one country's debt is very different from that of another country's debt. The level of El Salvador's indebtedness is not reaching a point where the country would have to take very drastic measures. Up to now the government has maintained the attitude of fulfilling its commitments. Logically, to the extent that we experience difficulties meeting our commitments, we will have to consider adopting some other measures, but these will be carefully studied. However, thus far our decision is to continue meeting our obligations.

[Question indistinct]

[Perdomo] I cannot give you the figure for Central America at this moment. However, in the case of El Salvador it may be around 5 billion colones.

[Question indistinct]

[Perdomo] Colones. The foreign debt amounts to approximately 5 billion colones.

[Question indistinct]

[Perdomo] In fact, we made a proposal saying it is important to discuss the political situation because no understandings of a commercial or economic nature can be reached if there is no political willingness or definition in that respect. We made recommendations to this effect, but the decisions have to be adopted at another level. We suggested some of these aspects be included on the agenda of the meeting to be held by the five Central American presidents in Esquipulas. [end recording]

The official said a bilateral agreement has been signed with Honduras, which will go into effect on 1 April and covers over 250 products. Minister Perdomo asked the banks to establish payment mechanisms permitting the economy of the two countries to be revitalized. He said that closed economies are no longer possible.

Perdomo noted that the goal of the meeting in Managua was to strengthen the region as a group. He added that trade with Nicaragua has slumped considerably during the last few years.

NICARAGUA

CAMPAIGN TO DISCREDIT GOVERNMENT ALLEGED

PA221409 Managua EL NUEVO DIARIO in Spanish 20 Mar 87 pp 1, 8

[Text] Only a few days before the Central American heads of state meeting in April, the Ramiro Sacasa Coordinating Board is working on a campaign to discredit the Nicaraguan Government in the eyes of the Central American governments.

The Coordinating Board, which includes some businessmen and rightist groups, prepared a letter on 13 March. A copy of this letter, addressed to the presidents of the region, was sent to EL NUEVO DIARIO by one of the board's leaders. In this letter, the board ambiguously questions the Arias plan on one hand, and on the other, urges that the proposal include an invitation to the Vatican to have a delegate present at the forthcoming presidental summit.

The Coordinating Board, which has been characterized by local and international media as "pro-North American," claims that both the peace efforts of Contadora and those of other peace groups have failed; and that their efforts have served only to consolidate the Nicaraguan Government.

Coinciding with some U.S. officials who say the Sandinist revolution can only be destroyed militarily, the members of the Coordinating Board say "the San Jose proposal is asking us to coexist with a government that is not democratic."

In their letter they do not explain what they understand as democracy, and they say nothing about the U.S. Government's financing of the mercenary bands that attack Nicaragua. However, they accuse the FSLN of promoting "the fratricidal war."

After questioning the "Arias Plan," they affirm: "We support the Arias Plan because of the high level of representatives [words illegible] of the regional and international community."

Using the same ambiguous and contradictory language, the members of the Coordinating Board claim there is no democracy in Nicaragua, but at the same time they ask that "the municipal elections take place in November 1987," simultaneously with the elections for representatives to the Central American Parliament, the creation of which has not yet been approved.

The document brandishes as valid the same pretexts used by the Reagan government to launch the aggression, pretexts, such as "violations of OAS resolution."

Contrary to the worldwide clamor in favor of resolving differences through dialouge, and of Contadora being the definite road for negotiations, the Coordinating Board tries to reduce the scope of Contadora and does not admit that positive results have come from the peace efforts made by the government.

Although in some paragraphs, the members of the Coordinating Board accept the San Jose proposal, in others they implicity reject it; for example, when they affirm: "in essence we see that the San Jose proposal is urging the Nicaraguans and the Central Americans to coexist with a regional government that it not democratic."

MILITARY LEADER CHAMORRO RESIGNS FROM UNO

PA212208 Paris AFP in Spanish 2108 GMT 21 Mar 87

[Text] San Jose, 21 Mar (AFP) -- Fernando "EL Negro" Chamorro, an anti-Sandinist military commander, announced today in Managua that he is withdrawing from the Nicaraguan Opposition Unity (UNO) and accused the UNO leaders of serving "cheap and personal interests."

Chamorro, a veteran fighter who struggled against the Anastasio Somoza dictatorship and joined the counterrevolution after the dictator was overthrown, was the top commander of the guerrilla groups called UNO-Southern Front. These guerrilla groups operate near the Costa Rican border.

The unexpected resignation apparently will worsen the crisis UNO is experiencing. Arturo Cruz, who is believed to be the most moderate figure in the counterrevolutionary leadership, quit UNO 2 weeks ago.

In a communique to the media, Chamorro said that the UNO under Alfonso Robelo and Pedro Joaquin Chamorro Barrios has been taken over "by an opportunist gang of newcomers who have appointed themselves leaders of the democratic resistance." Chamorro said, however, that he will continue struggling against the Sandinist government at the head of his organization, the UDN-FARN [Nicaraguan Democratic Union-Revolutionary Armed Forces of Nicaragua]. He also said he will make changes in his war strategy. Chamorro stated: "This has been a dificult decision, but it is in line with the way we think. Our sacrifices and lives are at the service of our cause for liberation from Sandinist communism."

The crisis in the rebel leadership started early in the year when Cruz and Robelo accused Adolfo Calero — leader of the FDN, the largest anti-Sandinist group -- of taking absolute control of the economic and military aid from the United States. Later Calero was forced by the Reagan administration to leave the UNO directorate, and was replaced by Chamorro. This, however, did not resolve the crisis which later resulted in Cruz' departure from the organization.

Resignation Termed 'Normal'

PA231945 Panama City ACAN in Spanish 1902 GMT 23 Mar 87

[Text] San Jose, 23 Mar (ACAN-EFE) -- Members of the Nicaraguan Opposition Unity (UNO), have reported that the withdrawal [retiro] of "El Negro" Chamorro occurred a few weeks after he relinquished command of the southern front fighters because of personal reasons.

Alfonso Robelo, member of the UNO leadership, together with Pedro Joaquin Chamorro, described "El Negro's" withdrawal as normal under the present circumstances. However, he deplored his absence which, he said, he hopes will be temporary.

Robelo told ACAN-EFE that "this type of reaction occurs" in crisis situations such as that being experienced by UNO, as regard various issues. He also stressed that Commander Chamorro had to leave his command position in the southern front a few weeks ago for personal reasons and "that he had left his leadership position in the hands of the commanders who are fighting in Nicaragua."

Robelo said that Chamorro's withdrawal will be temporary, "a result of the crisis affecting the anti-Sandinist organizations." He said he hopes that Chamorro will join the efforts to achieve unity within the "Nicaraguan resistance," which is being formed in San Jose. With this reorganization, Robelo explained, the Southern Opposition Bloc (BOS), led by Alfredo Cesar; and MISURASATA [Miskito Sumu, Rama, Sandinist Unity], whose top representative is Brooklyn Rivera, will take leadership positions.

All the anti-Sandinist organizations are seeking the maximum unity possible, and "right now the doors are open for 'El Negro' and others who want to join the struggle for the liberation of Nicaragua," Robelo noted. Robelo added: "This is the time to iron out the small differences that could have existed with the UDN-FARN [Nicaraguan Democratic Union-Revolutionary Armed Forces of Nicaragua] group headed by "El Negro" Chamorro.

DPRK'S KIM DEPARTS, MERCADO EVALUATES VISIT

PA232146 Managua Domestic Service in Spanish 2117 GMT 23 Mar 87

[Text] Nicaraguan Vice President Sergio Ramirez Mercado saw off Comrade Kim Yong-nam, DPRK first vice president and foreign minister, at Managua Augusto Cesar Sandino International Airport at noon today.

We asked Ramirez Mercado to evaluate Kim Yong-nam's visit, and this is what he said:

[Begin Ramirez recording] We received the DPRK vice president and foreign minister here with great respect and friendship, which we share with the Korean Government and people. After the Nonaligned Movement foreign ministers meeting in Guyana, he accepted an official visit here because (?this is) a nonaligned country. He met with the president and other revolutionary leaders, and visited various economic projects in different areas of the country.

We believe this visit will strengthen the good relations we have with Korea and open better paths of cooperation between the two countries. [end recording]

FDN CLAIMS 623 EPS CASUALTIES IN 15 DAYS

PA191636 Panama City ACAN in Spanish 2232 GMT 19 Mar 87

[Text] Tegucigalpa, 18 Mar (ACAN-EFE) -- The FDN reported today that it inflicted 623 casualties, including dead and wounded, on the EPS in the first 15 days of March.

A communique issued this afternoon by the FDN communications center in Tegucigalpa noted that this casualty total comprises 65 clashes; the number of dead is 249.

The rebels said the clashes took place in Jinotega, Matagalpa, Zelaya, Esteli, Madriz, Nueva Segovia, Boaco, and Chontales, in northern, central, and eastern Nicaragua.

Among the main actions was highlighted the destruction of nine vehicles, including five trucks to carry troops, and three garrisons in the country's northern, central, and eastern regions. The FDN also claimed it knocked down several electrical towers, especially in Zelaya, Jinotega, and Chontales.

The FDN described the downing of two Soviet MI-24 helicopters in Sislao, 15 km from Puerto Viejo in Zelaya Department, and in Las Martinas, in Matagalpa, as an important victory. They maintained that they seized 101 AK-47 rifles with 93,800 bullets, 3 RPG-7 grenade launchers, pistols, hand grenades, raincoats, and other military supplies.

The anti-Sandinists said they identified 13 bodies and captured 6 soldiers; they also said 5 EPS deserters joined them.

MERCENARIES REPORTEDLY KIDNAP 45 SUMUS INDIANS

PA180416 Managa EL NUEVO DIARIO in Spanish 14 Mar 87 p 12

[Excerpt] Yesterday two Indian leaders reported that mercenary forces have kidnapped 15 Sumus and have taken them to Honduran territory. These kidnappings occurred between 26 February and 3 March.

Lano Dolores, Sumu representative of northern Zelaya at the National Assembly, and Apolinar Sebastian Vives, from Musawas, told EL NUEVO DIARIO that 45 Indians had been kidnapped, but 30 managed to escape before arriving in Honduras.

The counterrevolutionaries executed the abductions on the banks of the rivers Pis-pis and Waspuk, tributaries of the Coco River, where the Indians were preparing to return to their villages after they had been repatriated through the UN High Commissioner on Refugees [UNHCR] and the Red Cross.

Some of the 1,000 Sumus who had been repatriated in the past 2 years had been relocated 1 km from Donandia, where they were building homes and tilling the soil. Dolores said: "But they wanted to return to their village, Musawas, and the regional authorities agreed to let them return to Kwabul."

So, 45 Sumus made up their minds to move to Kwabul. But the enemy reached their camp and kidnapped them, the Indian leader said. He recalled that since 1983, the mercenaries began to kidnap Sumus and took 5,000 Indians from Musawas, Alal, and Kwabul to Honduras.

In 1984, the mercenaries kidnapped members of the communities of Musawas, Awas Tingni and Umbra, on the banks of the Coco River. "They began to be repatriated as of 1985, thanks to the mediation of the UNHCR and the Red Cross," he said.

"These kidnappings do not occur out of love but to kill and negotiate with the Indians' blood. They are used as bait to get more dollars from imperialists," the Indian spokesman said.

According to Dolores and Vivas, there exist barely 8,000 Sumus and about 1,000 are in Nicaragua because of the constant threat of kidnappings by the mercenaries. "We are few and we want to be left alone so that we can maintain and develop our culture," Dolores said.

The Sumus' leaders will send a communique to all the international humanitarian organizations for the latter to pressure the Honduran Government "so that the lives of our brothers can be spared and that they are repatriated." [passage omitted]

ORTEGA WANTS 'DIALOGUE' AMONG COFFEE COUNTRIES

PA212330 Panama City ACAN in Spanish 2010 GMT 21 Mar 87

[Text] Managua, 21 Mar (ACAN-EFE) -- Nicaragua today called for "a reliable, firm, and courageous policy" of "defeating the obstacles" being faced by the coffee-producing countries in the face of the drastic fall in coffee prices.

Ortega called for a "dialogue" among coffee producers when he dedicated the 2-day meeting taking place in this capital with the participation of Central America, Mexico, and Brazil to coordinate a joint position to face the coffee problem.

Colombia, the second largest coffee exporter in the international market, did not attend the Managua meeting because it refused to form "bilateral alliances with Brazil or multilateral alliances with the Central American nations."

President Ortega, wearing civilian clothes, said it is necessary to have "political will" to face the current coffee market situation, which is threatening the fragile Latin American economies with the "loss of millions." Ortega stated: "Due to the lack of a reasonable understanding" among coffee producers, it was not possible to fix world market exportation quotas during the 2 March meeting of the International Coffee Organization. The 25 member countries and the 50 coffee-producing countries were unable to reach an agreement in London to return to the exportation quota system suspended around the middle of 1986. This suspension has to do with the drop in coffee prices. Right now the quintal (46 kg) of coffee fluctuates from $100 to $103.

Daniel Ortega told the participants at the meeting that if "irrational positions" are maintained, this situation will harm the economies of the producing countries. The leader of the Nicaraguan governing party invited the delegates "to overcome their differences, to promote unity, and to reach an understanding so that the general interest prevails over individual interests." Ortega also said that the drop in coffee prices has a negative effect on the capabilities of the coffee-producing countries to pay the interest on the foreign debt.

The Sandinist leader urged the international banking system "to think calmly and carefully" about "this dramatic situation that is crushing the development" of most of the 50 coffee producing nations.

After calling on the participant countries "to look for reasonable answers," Ortega noted: "Nicaragua agrees with and supports Brazil's decision to suspend payment on the interest of its foreign debt." He stated: "The moment has come when it is impossible to pay the service on the debt" and "there has to be a search for a new plan" that would represent breaking with the current international economic order.

On an annual basis, the price drop represents a loss of $2.52 billion for coffee producers. The Central Americans alone would lose $502 million.

FOREIGN MINISTER D'ESCOTO VISITS ZIMBABWE

For reportage on a 3-day visit to Zimbabwe by Foreign Minister Miguel D'Escoto, see the Southern Africa section of the 23 March Middle East & Africa DAILY REPORT and subsequent issues.

BRIEFS

WHEAT ARRIVES -- A shipment of 9,816 tons of wheat arrived in the port of Corinto today from the USSR. The shipment will be received by a Foreign Cooperation Ministry delegation. Meanwhile, ENABAS [National Enterprise for Staple Foods] trucks will collect the wheat and distribute it to the different regions of the country in accordance with an organized plan. [Text] [Managua Domestic Service in Spanish 0300 GMT 20 Mar 87 PA]

UPCOMING IDB ANNUAL ASSEMBLY IN MIAMI VIEWED

FL202243 Havana Radio Rebelde Network in Spanish 1800 GMT 20 Mar 87

[Text] The future usefulness of the IDB is hanging by a thread of mathematical equations that will be resolved during the IDB 28th annual assembly scheduled to begin in Miami on Monday.

The IDB decisions are currently made through a system of simple majority vote, which benefits the Latin Americans, who have 54 percent of the total vote, against 35 percent for the United States, 4 percent for Canada, and 7 percent for extraregional members. The U.S. aim since the previous annual meeting in San Jose, Costa Rica, has been to change the voting system so that decisions will be approved by a majority of 65 percent, and disapproved -- that is, vetoed -- with a minimum of 35 percent. This equation implies that with the support of Canada alone, or of any other member, the United States will be able to exercise veto power to benefit its goal of making the IDB an appendage of the World Bank and the IMF, so that it will operate under the same imperialistic philosophy.

Meanwhile, the West Europeans and Japanese are taking advantage of the situation, advocating a voting system whereby 40 percent of the vote will disapprove measures. This is an attempt to assume control over part of the numerical votes that the United States is attempting to take away from Latin America.

Regardless of which mathematical equation wins with regard to the votes, as always, the big loser is Latin America, which has already had to agree that 20 percent of the IDB funds be earmarked for economic reforms to pay debts.

CASTRO PRESIDES OVER REGIONAL PLANNING MEETING

FL232015 Havana Radio Rebelde Network in Spanish 1700 GMT 23 Mar 87

[Report by Gisela Bel Heredia]

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, presided over the opening session of the Sixth Conference of the Latin American and Caribbean Planning Ministers and Chiefs that began this morning at the Palace of Conventions in Havana with the attendance of more than 20 countries of the region, Spain, and regional and international organizations. Carlos Rafael Rodriguez, vice president of the Cuban Council of State, was the last of the five speakers during the first session of this conference that will continue through 25 March.

Planning, even in a centralized economy, is only an instrument. The important thing is how it is used and the principles applied in economic management. For this, it becomes indispensable to heighten the political awareness of man, Rodriguez said after mentioning the deficiencies that exist in our country despite the fact that we are working with a planned economy. Regarding the main topic for this conference, Rodriguez said that the issue is not the search for a common agreement for each of our countries. He declared:

[Begin recording] There is something that we can agree upon and that is that we must defend the independent and assured future of our American lands and move our peoples toward the necessary changes that will bring this about. This is a commitment that does not brook postponement. Rest assured that in this task, described as the second war of independence in Latin America, Cuba will be present at your side. Thank you. [end recording]

The other speakers at this session were Mexico's Carlos Salinas de Gortari, outgoing president of the Cooperation and Coordination System among Latin American planning organizations; Norberto Gonzalez, ECLA executive secretary, and (Hugo Navajas), regional director for the International Development Association. They all expanded on the need for fostering a better future based on the objectives of this meeting: the role of the national planning organizations in regional cooperation and integration within a strategy of reactivation and development.

Dr (Alfredo Costafulla), director of the Latin American Institute for Economic and Social Planning, the main organization sponsoring this conference, has expressed his hope that the results of this meeting will help achieve the goals of regional integration and cooperation.

The plenary session continues with the presentation of the document that will be the basis for discussion at this great planning conference being held for the first time in the Cuban capital.

SURINAME DENIES DESI BOUTERSE'S DEPARTURE

PA231906 Havana International Service in Spanish 1930 GMT 21 Mar 87

[Text] The official Suriname news agency denied information published in the Netherlands DE TELEGRAAF newspaper to the effect that Surinamese President [title as heard] Desi Bouterse fled the country's capital following the constant armed attacks by antigovernment groups against Paramaribo.

FURTHER ON VISIT BY IRAQI PARTY DELEGATION

Visit Concluded

PA242353 Havana International Service in Spanish 1500 GMT 22 Mar 87

[Text] The delegation of Iraq's Arab Socialist Renaissance Party, headed by Taha Yasin al-Basri, chief of the National Directorate's Foreign Relations Bureau, has concluded a visit to Cuba honoring a Communist Party of Cuba's [PCC] invitation.

During their stay in Cuba, the Iraqi delegation met several times with party and government officials. During these meetings, they analyzed bilateral relations and the international political situation, particularly that of the Middle East, Latin America, and southern Africa. The delegation also visited places of scientific and social interest. On Saturday, the Iraqi delegation signed cooperation accords between the PCC and the Iraqi party. The document was signed by Jorge Risquet, member of the PCC's Politburo and secretary of the Central Committee, and Taha Yasin al-Basri, on behalf of the visitors.

Agreement Signed

JN231926 Baghdad INA in Arabic 1400 GMT 23 Mar 87

[Text] Madrid, 23 Mar (INA) -- The Iraqi Arab Socialist Ba'th Party and the Communist Party of Cuba signed a cooperation agreement for 1987 and 1988 in Havana last night. The agreement was signed for the Ba'th Party by Taha al-Basri, head of the Ba'th Party National Command Foreign Relations Bureau, and for the Communist Party of Cuba by Risquet Valdes, member of the Politburo, secretary of the Central Committee, and head of the Foreign Relations Committee of the Communist Party of Cuba.

The agreement contains certain provisions on the exchange of visits by party and organizational delegations, the exchange of scholarships and fellowships, and coordination during conferences and meetings attended by the two parties.

PLO DELEGATION MEETS WITH ISIDORO MALMIERCA

FL232037 Havana Radio Reloj Network in Spanish 1803 GMT 23 Mar 87

[Text] The official talks between the Cuban and PLO delegations began this morning at the Cuban Foreign Ministry in Havana. The Cuban delegation is headed by Foreign Minister Isidoro Malmierca. The members of the delegation are Vice Foreign Minister Giraldo Mazola, Vice Foreign Minister Raul Roa, and Ulises Estrada, director of the North African and Middle East Directorate. The PLO is represented by Faruq Qaddumi, chief of the PLO Political Department; Isam Kamil Salim, PLO ambassador to the GDR; and Imad Jada'a, PLO ambassador to Cuba. During the meeting the two delegations talked about the Nonaligned Movement, the meeting of the Committee of the Nine for Palestine to be held in Harare in April, and the situation in Central America, particularly Ronald Reagan's policy of aggression against Nicaragua. They also discussed matters of interest for our country and the PLO.

FURTHER ON VISIT BY ETHIOPIAN FOREIGN MINISTER

Resettlement Discussed

PA212212 Havana International Service in Spanish 0000 GMT 20 Mar 87

[Passages within quotation marks recorded]

[Text] Berhanu Bayeh, foreign affairs minister of Ethiopia, is on an official visit in Cuba at the invitation of the Cuban Government. In an interview granted to our radio station, he referred to the programs for resettlement and creating new villages [aldeanizacion] that have been successful and saved millions of lives in his country. These programs have also created the basis for the agricultural and social development of the country.

Berhana pointed out that the need for resettlement arose because the provinces that were affected were so densely populated that -- even if it were to rain or even if there were not a draught -- these areas could not support the population they had. The Ethiopian foreign minister said that following the disastrous draught, the government adopted effective measures. Such measures are, for example: temporary lodging, potable water, and research on the diseases in the area, such as malaria.

[Berhanu in English with superimposed Spanish translation] "We tried to transport sufficient food and send medical personnel and other experts to the affected areas. Once these measures were adopted, we immediately resettled the people, and we relocated 600,000 persons in 1 year. This was still below our goal because we had limited means to accomplish such a huge task. However, this has been very successful, because now the majority of the people that have been resettled are self-sufficient. Some of them even produce surplus products by now, and some are producing at least one-half or more than one-half of the food they need for 1 year. We hope that by the next harvest, they will all be self-sufficient, and will produce even more."

Foreign Minister Berhanu Bayeh, who is also a member of the Politburo of the Workers Party of Ethiopia, said that the long-term strategy includes changes in agriculture itself. Such changes include teaching the peasants land irrigation techniques, promoting vegetable gardens and poultry raising, increasing production on state farms, the construction of villages and roads, and social services.

[Berhanu, in English with superimposed Spanish translation] "In 1 and 1/2 years we have been able to relocate over 5 million persons in these villages. This is a very great task, it really is, but it has not been very difficult. The people who have been resettled have participated in selecting and planning the villages, as well as in constructing their homes. This is a great change in the lives of the peasants."

Other changes have taken place in Ethiopia. Earlier this year, the Ethiopians voted for the first constitution in the country's 2,500-year history. Foreign Minister Berhanu told us that the draft constitution was prepared by a commission made up of all the nationalities [as heard] that form today's Ethiopia. It was analyzed by the people and over 12 million persons discussed the document and enriched it with 500,000 recommendations. The draft was voted on in the month of February.

[Berhanu, in English with superimposed Spanish translation] "A total of 14 million persons registered for the referendum. This shows that the discussion motivated the interest of the population. Out of the total number of those registered, 96 percent voted. Out of this, 81 percent voted in favor, and 18 percent voted against it. Only 1 percent of the votes were annulled. We think these results are very positive inasmuch as they confirm to us and the world that the Ethiopian people support the revolution and the government, that the people are in favor of socialism. The results also showed that the people are in favor of unity even though the Western world and the ill-intentioned countries, who do not like us, question our unity. The approval of the Constitution by this vast majority is further evidence that, far from being divided, the Ethiopians are in favor of the unity of our nation."

Santiago de Cuba Visited

FL200400 Havana Radio Reloj Network in Spanish 0303 GMT 20 Mar 87

[Text] Ethiopian Foreign Minister Berhanu Bayeh and his delegation have arrived in Santiago de Cuba. He was met by Esteban Lazo Hernandez, first secretary of the Communist Party of Cuba [PCC] in Santiago de Cuba.

During his stay in that city, Berhanu and his delegation will visit the Siboney farm, the old Moncada Barracks, the home of the Maceos, and the Baconao Tourist Park. The visitors will also meet with Ethiopian students living in Santiago de Cuba. There are close to 300 Ethiopian students studying at the Oriente University and the Higher Institute of Medical Sciences.

The delegation is accompanied by Vice Foreign Minister Geraldo Mazola, and Antonio Perez Herrero, a member of the PCC Central Committee and Cuban ambassador to Addis Ababa.

Castro Met

FL201529 Havana Tele-Rebelde Network in Spanish 1200 GMT 20 Mar 87

[Text] On Wednesday [18 March] evening, Commander in Chief Fidel Castro Ruz received Foreign Minister Berhanu Bayeh, a member of the Workers Party of Ethiopia [WPE]. The Ethiopian foreign minister conveyed to Comrade Fidel a message from Socialist Ethiopia President Mengistu Haile Mariam.

(Tesfaye Tadesse) and Nadew Zekarias, members of the WPE Central Committee and ambassadors to the United Nations and Cuba, respectively, as well as (Kesate Badima), director of the Americas Department of the Ethiopian Foreign Ministry, also attended the meeting for the Ethiopian side.

Visit Concluded

FL231220 Havana Tele-Rebelde Network in Spanish 1100 GMT 23 Mar 87

[Text] Army General Raul Castro Ruz, second secretary of the Communist Party of Cuba Central Committee and first vice president of the Councils of State and Ministers, has seen off Berhanu Bayeh, member of the Politburo of the Workers Party of Ethiopia Central Committee and minister of foreign affairs. The Ethiopian foreign minister and his delegation visited several provinces, where they toured centers of economic and social interest.

Also on hand at the airport to bid farewell to the delegation from the brother country were Minister of Foreign Relations Isidoro Malmierca, Vice Minister of Foreign Relations Giraldo Mazola, and Antonio Perez Herrero, Cuban ambassador to Ethiopia. Prior to his departure, the distinguished visitor talked briefly with reporters at the Jose Marti International Airport.

TANZANIA'S JULIUS NYERERE VISITS 19-21 MARCH

Met at Airport by Castro

FL192300 Havana Radio Periodico del Aire in Spanish 2230 GMT 19 Mar 87

[Text] This afternoon at the Jose Marti International Airport, Commander in Chief Fidel Castro, president of the Councils of State and Ministers, received Julius Nyerere, former president of the United Republic of Tanzania and president of the Chama Cha Mapinduzi. Prior to his arrival in Cuba, Nyerere was in Peru, Uruguay, Argentina, Brazil, and Venezuela, where he met with heads of state and other high-level officials and representatives from various national sectors.

Talks Held With Rodriguez

FL210020 Havana Radio Reloj Network in Spanish 2155 GMT 20 Mar 87

[Text] Julius Nyerere, president of the South-South Independent Commission on Developmental Affairs, and Carlos Rafael Rodriguez, Cuban vice president of the Councils of State and Ministers, have held a working meeting during which they discussed future goals and analyzed Nyerere's commission. President Nyerere gave a detailed report on his Latin American tour and outlined plans for visiting countries in Asia, Africa, and Europe to exchange opinions on establishing the commission and to speak to potential members.

The Cuban vice president said Cuba welcomed Nyerere's designation to head the commission and he expressed confidence that he will receive support from organizations and the commission itself.

News Conference Granted

FL211307 Havana Radio Progreso Network in Spanish 1200 GMT 21 Mar 87

[Text] Julius Nyerere, former president of Tanzania and president of the Chama Cha Mapinduzi Party [Revolutionary Party of Tanzania], has granted a news conference in Havana. He discussed the main objectives of the South-South Commission which he chairs and his recent tour through South America. Nyerere underscored that the personalities who compose the commission represent themselves and not any party or country and that the organization's main objective is to promote exchange and cooperation between Africa and Latin America. He also referred to the support he was given during his recent tour through South America. Nyerere noted that he is sure he will be supported by Cuba 100 percent.

Third World Discussed

FL231207 Havana Tele-Rebelde Network in Spanish 1100 GMT 23 Mar 87

[Text] Commander in Chief Fidel Castro, president of the Council of State and of the government, met at length on Friday with Julius Nyerere, former president of Tanzania and chairman of the South-South Independent Commission. Nyerere visited our country as part of a tour of Latin America to discuss the most pressing problems of underdeveloped countries with governments and leaders and to lay the groundwork for the integration of the commission he now heads. During their long exchnge, the two examined Third World problems, particularly those in connection with industrialized countries, unequal trade, low prices for basis products, and industrial protectionism by industrialized countries. The Cuban president reiterated to Nyerere that Cuba supports everything involving the work of the South-South Commission.

'Working Visit' Concluded

FL211848 Havana Radio Rebelde Network in Spanish 1800 GMT 21 Mar 87

[By (Gisela Bell Heredia)]

[Text] Julius Nyerere, chairman of the South-South Independent Commission and former president of the Republic of Tanzania, left our country this morning after ending a working visit.

He was seen off at the Jose Marti International Airport by Carlos Rafael Rodriguez, vice president of the Council of State.

The prominent African leader had previously granted a news conference at the Cubanacan protocol room. He noted the success of his Latin American tour during which he consulted with personalities to promote the objectives and tasks of the nongovernmental organization he chairs.

[Begin Nyerere recording in English fading into Spanish translation] And everywhere I have been, in all six countries, including Cuba, I have found a tremendous support for the idea of the South-South Commission. Everywhere, there has been no opposition or ideological difference. There is a desire in all the countries. [end recording]

Cuba was the last leg of Nyerere's tour. He previously visited Peru, Uruguay, Argentina, Brazil, and Venezuela. He told the press that he will hold similar meetings with representatives of African and Asian countries. Julius Nyerere also noted that the commission is aware of the wishes of Third World countries in achieving a new international economic order. He said we need to regroup because unity is essential.

BILATERAL ECONOMIC-INDUSTRIAL COMMITTEE MEETS

Italian Minister Met

FL121855 Havana Radio Progreso Network in Spanish 1200 GMT 12 Mar 87

[Text] Armando Hart Davalos, member of the Communist Party of Cuba Politburo and culture minister, has met in Havana with Italian Under Secretary for Foreign Affairs Susanna Agnelli who is currently in Cuba presiding over the Italian delegation to the Fifth Bilateral Economic-Industrial Meeting. During their talks, Hart Davalos discussed the restoration work in Old Havana and Trinidad.

Protocol Signed

FL132110 Havana Radio Rebelde Network in Spanish 1800 GMT 13 Mar 87

[Text] The fifth meeting of the Cuban-Italian Joint Committee for Economic and Industrial Cooperation, which began its sessions in Havana on Wednesday, 11 March, ended today with the signing of a final protocol. Raul Taladrid, vice president of the State Committee for Economic Cooperation and president of the Cuban delegation, closed the meeting by saying:

[Begin recording] We want to attest to and express thanks for the decision -- your decision -- to financially support the precooked-rice national program. This program will include the participation of Italian technology, which has been connected with the development of the Cuban rice industry -- beginning with cultivation -- and will not include the product's marketing. This is a good example of cooperation and friendship that will yield fruitful results for both parties. [end recording]

Senator Susanna Agnelli, under secretary for foreign affairs at the Italian Foreign Ministry, who presided over her country's delegation to this event, will leave for Italy this afternoon.

EEC GRANTS AID FOR ARUBA, NETHERLANDS ANTILLES

FL201644 Hilversum International Service in English 1030 GMT 20 Mar 87

[Text] The Netherlands Antilles and Aruba have reached agreement with the European Community on financial aid from the European Development Fund.

During the next 3 years, the Netherlands Antilles will receive a sum of more than 42 million N.A. guilders, while Aruba will receive 13 million Aruban guilders.

A substantial part of the money will be used to stimulate tourism in the area, virtually the only way of bolstering the economies of the region in the short and medium term.

Tourism from Europe in particular is to be stimulated. It has been established that European tourists, for example, spend on average twice as much as American tourists.

At present, only about 11 percent of the tourists come from Europe.

ST LUCIA

PARLIAMENT DISSOLVED; GENERAL ELECTIONS PLANNED

FL131908 Paramaribo International Service in English 1730 GMT 13 Mar 87

[Text] The St Lucia House of Assembly has been dissolved paving the way for general elections on April 6. Towards this those close to the ruling United Workers Party are unable to say when will the nominations be. However, the constitution provides that this should be not less than 7 days before elections and not more than 14 days after the dissolution of parliament.

The chairman of the ruling party says that unlike the main opposition, St Lucia Labor Party, which has so far named only 8 candidates, the ruling party is in a position to name its full slate of candidates for the 17 constituencies.

COMPTON DENIES ELECTORAL LIST TAMPERING

FL211422 Bridgetown CANA in English 1318 GMT 21 Mar 87

[Text] Castries, St Lucia, March 21, CANA -- St Lucia's prime minister, John Compton, has rejected opposition claims of government tampering with the electoral list in the build-up to general elections on April 6.

Compton, in a CANA interview, also denied charges by the main opposition St Lucia Labor Party (SLP) that the incumbent administration proposed introducing international monetary fund-patterned austerity measures if it is reelected for another five-year term.

"I think it is a most irresponsible statement," Compton said in response to claims by SLP leader Julian Hunte that the voters list of the Gros Islet constituency had been padded by about 400 voters.

Compton said there has never been any doubt about the integrity of the island's electoral system. He said he saw Hunte's allegation as "an excuse in advance" for his impending defeat in Gros Islet.

The SLP, which like Compton's United Workers Party (UWP) has also predicted victory on April 6, told voters the Compton government would send home over 1,000 civil servants as part of austerity measures to obtain help from the IMF.

"I have no hidden agenda. I have made it very clear that in St Lucia, there are not two sets of people in the Ministry of Finance -- the IMF and the minister of Finance, Compton said.

There is no room for two of us. The day the IMF has to come in, that is the day John Compton will leave."

Compton said the economy, buoyed by record production levels by the all-important banana iundustry and steady growth in tourism, has performed "extremely well", especially in the last two years.

He said the economic growth rate was a negative two per cent in 1982 when the UWP was voted back into office, but the trend was reversed over the ensuing years, with GDP expanding in real terms last year by around six per cent.

Compton said a major worry was the rapid expansion of the population, which he said was putting more pressure on the economy. "We are aiming to maintain into the 80's and 90's a growth rate of six per cent. With a population increase of 3.5 percent, we are going to decline."

TRINIDAD AND TOBAGO

NOOR HASSANALI SWORN-IN AS PRESIDENT 19 MAR

FL200134 Bridgetown CANA in English 2346 GMT 19 Mar 87

[Text] Port of Spain, Trinidad, March 19, CANA -- Retired Appeals Court Judge Noor Hassanali was sworn in tonight as the second president of Trinidad and Tobago.

In a 20-minute ceremony, Hassanali, 69, took the oath of office before Chief Justice Clinton Bernard.

In a brief address to the nation afterward, the new president said he accepted his new office with great humility and promised to a a faithful servant.

I consider that, in filling my role, I am not entitled merely to expect the goodwill of the nation but rather that there is a responsibility cast upon me to earn that goodwill, Hassanali said.

He paid tribute to the "meritorious service" of his predecessor Ellis Clarke, who had served since 1976 when the country became a republic.

Hassanali said the country was indebted to Clarke, who left last weekend for a holiday in Britain.

The new president also inspected a guard of honor of the Defence Force, which he now serves as Commander-in-Chief.

MEASURES ADOPTED TO PAVE WAY FOR IMF ASSISTANCE

PM201115 Amsterdam DE VOLKSKRANT in Dutch 16 Mar 87 p 1

[ANP dispatch: "Suriname Adopts Tough Measures To Obtain IMF Help"]

[Text] Paramaribo -- Under the pressure of the serious economic crisis the Surinamese Government is adopting a number of far-reaching measures which are designed to pave the way for talks with the IMF on financial aid. Around 3 years ago Paramaribo rejected the conditions laid down by the IMF. The authorities have drawn up a program that is designed to achieve annual savings of at least 30 million dollars (around 60 million guilders).

The main aim of the measures, which have not yet been made public, is to reduce spending on imports. The foreign currency that would be freed as a result would be used for the purchase of raw materials and spare parts for industry. The authorities want in this way to increase production and promote exports.

A number of measures will have a direct effect on everyday life in Suriname. The price of fuel will rise by 55 percent The import of certain foodstuffs, such as potatoes, sardines, and peanuts, will be ended. The import of other products, such as salt beef, and eggs, will first be reduced and later stopped altogether. The production of soft drinks and alcohol will be limited as a result of the decrease in the import of raw materials.

The authorities will also see whether the two aircraft which Suriname's SLM airline has for international flights can be sold or hired out. SLM's international air traffic will be reduced by 50 percent. Government possessions abroad should also be either sold or hired out.

BOUTERSE TO RESHUFFLE CABINET 'THIS WEEK'

FL231148 Bonaire Trans World Radio in English 1130 GMT 23 Mar 87

[Text] State-owned Surinamese television has reported that military leader Desi Bouterse plans to disband and restructure the cabinet of Suriname's military-controlled government this week. The telecast said the entire cabinet would resign but most would be reappointed in a new and expanded cabinet to be announced by Mr Bouterse, who has ruled Suriname since seizing power in 1980. The announcement on the reshuffling of the cabinet came in a report on Mr Bouterse's meetings on Saturday with representatives of community councils which represent villages and neighborhoods in Suriname.

GANG ACTIVITIES IN WEST, COMMEWIJNE REPORTED

6000 Residents Leave Brownsweg

FL181836 Paramaribo International Service in English 1730 GMT 18 Mar 87

[Text] More than 6,000 residents of the Brownsweg area left their villages last week. The Brunswijk gang had told them to leave their homes and furniture no later than March 16th. In view of this disturbing development, the officials of Brownsweg met with the district commissioner of Brokopondo and District Commissioner [name indistinct], who chairs the commission for the normalization of the interior. The residents of the area fear for their safety and have sought shelter elsewhere in the district.

They said they have nothing to do with Brunswijk and that they do not support his actions. They just want to go home again.

Army Repels Attack

FL192124 Paramaribo International Service in English 1730 GMT 19 Mar 87

[Text] Yesterday, members of the National Army repelled an attack by members of the Brunswijk Gang in the Brownsweg area some 100 km south of Paramaribo. The gang members were helped in their attack by mercenaries who were seen in the area earlier this week. The attack was focused on (Fondudu), the military camp of Brunswijk. The Army is now engaged in mopping up operations in the area, which had been deserted by residents after being threatened by the gang. The youth of Pokigron and Brownsweg have offered to cooperate with the National Army for the safety of the two villages.

Brownsweg Declared 'Safe'

FL231852 Paramaribo International Service in English 1730 GMT 23 Mar 87

[Text] The murder of three policemen last Friday in the Commewijne District was committed by more than 10 members of the jungle commando of Ronny Brunswijk. The dead lawmen are Brigadier (Geordine Olivera), Police Constable (Abendi Pandee), and Assistant Police Inspector (Ronald Magrew). Besides the death of the three men there was also loss of property. They burned down the offices of the Agriculture Development Foundation [words indistinct] at Slootwijk, leaving in its wake losses to the tune of some 1 and 1/2 million guilders. The police station at Nassau was also completely destroyed by fire, while another one at Tamanredjo was also damaged by fire. A number of (?persons) were manhandled and wounded when the gang turned to looting after the murder of the three policemen. In West Suriname, the gang also carried out terror actions at the tourist resort of Blanche Marie Vallen and at Camp 52. These places were robbed of foodstuffs and other goods.

The national Army has mopped up the Brownsweg area. The Suriname news agency has reported that the members of the gang were forced to flee. The National Army also confiscated weapons and ammunitions in the operation. The military said the area is now safe and residents can return to their villages. Last week more than 6,000 residents of the area left their villages after being threatened by the Brunswijk Gang.

BRIEFS

FIRST AMBASSADOR APPOINTED -- Suriname and Barbados have strengthened their relations. Both countries are saying that collaboration is important in accordance to South-South relations which can contribute to the new international economic order. On Tuesday [17 March], Ambassador Kolander presented his credentials to the governor general of Barbados to become Suriname's first accredited ambassador to that country. Kolander is also Suriname's representative to Caricom, in which it has observer status. [Text] [Paramaribo International Service in English 1730 GMT 19 Mar 87 FL]